

<b>TO:</b>	<b>CHAIR AND MEMBERS COMMUNITY and PROTECTIVE SERVICES COMMITTEE MEETING ON MAY 25, 2016</b>
<b>FROM:</b>	<b>JOHN KOBARDA FIRE CHIEF</b>
<b>SUBJECT:</b>	<b>MASTER PRODUCT AND SERVICE AGREEMENT WITH INTERGRAPH CANADA LTD DOING BUSINESS AS HEXAGON SAFETY &amp; INFRASTRUCTURE AND UPGRADE THE COMPUTER AIDED DISPATCH SYSTEM</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Fire Chief and with the concurrence of the Managing Director of Neighbourhood, Children and Fire Services:

1. The attached proposed By-law (Appendix A) **BE INTRODUCED** at the Municipal Council meeting of May 31, 2016:
  - (a) **TO APPROVE** a Master Product and Services Agreement with Intergraph Canada Ltd., doing business as Hexagon Safety & Infrastructure (attached as Schedule A to the By-law), for the purposes of establishing the terms and conditions that will govern the purchase of software products and related services in the future, including the proposed purchase set out in recommendation 2 below;
  - (b) **TO DELEGATE** to the Fire Chief authority to appoint a Project Manager for the Master Product and Service Agreement; and
  - (c) **TO AUTHORIZE** the Mayor and Clerk to sign the agreement approved in recommendation 1(a) above.
  
2. The following actions be taken with respect to the upgrade of software for Computer Aided Dispatch:
  - (a) The quotation submitted by Intergraph Canada Ltd., doing business as Hexagon Safety & Infrastructure with its principal office located at 1120 68 Avenue NE, Calgary, Alberta T2E 8S5 at their proposed price of \$145,343, HST extra, **BE ACCEPTED**; a single source contract as per the Procurement of Goods and Services Policy Section 14.4(d);
  - (b) The funding for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix B;
  - (c) The Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this purchase, including authorizing Statement of Work #2016-1014 related to recommendation 2(a) above.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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- Finance and Administrative Services Committee, February 6, 2012 – Master Purchase Agreement with Intergraph Canada Ltd
- Finance and Administrative Services Committee, February 6, 2012 – Upgrade the Computer Aided Dispatch System

## **BACKGROUND**

The London Fire Department (LFD) implemented a computer assisted dispatch (CAD) system in 1998, which was purchased from Intergraph Canada Ltd. (Intergraph). Intergraph is now operating as "Intergraph Canada Ltd. doing business as Hexagon Safety & Infrastructure" (Hexagon). Subsequent to the 1998 purchase the City has purchased upgrades to the CAD system at regular intervals with Council approval to do so. In addition, the Fire Department, with Council approval, purchased and implemented a Hexagon Business Intelligence program in 2012 that uses the CAD information to measure front line performance.

For the following reasons the LFD is recommending that the Hexagon CAD software be upgraded through a single source procurement under clause 14.4(d) of the Procurement of Goods and Services Policy related to the need for compatibility with goods and/or services previously acquired:

- The CAD program has provided the necessary dispatch requirements for the Department since implementation. Changing to a different CAD system would require a significant capital expenditure not included in the approved 2016 - 2019 Capital Budget, as well as major resource commitments from LFD, Information Technology Services (ITS) and Purchasing.
- Moving to another CAD system would also require replacement of the Business Intelligence tool, also involving additional capital and resource investments.

### MASTER AGREEMENT

Given the ongoing relationship that the City has with Hexagon and may continue to have for the foreseeable future, for the purposes of streamlining the approval process, the LFD is recommending that the City enter into a Master Product and Services Agreement. The Master Product and Services Agreement outlines the terms and conditions that will cover all Purchase Orders for Hexagon products and services including the upgrade to the CAD system and integration of the Business Intelligence tool, the request for which is included in this report. In 2012, Council approved entering into the most recent Master Product and Services Agreement that has now expired. For this reason, it is necessary to enter into another agreement to cover any future requirements. The LFD will continue to comply with the City's Procurement of Goods & Services Policy for any subsequent purchases, including obtaining Council's approval as required by the Policy.

Fire Administration has worked with Hexagon to develop the terms of the agreement contained in the attached Master Agreement, which has been reviewed by the City Solicitor's Office, Risk Management and Information Technology Services. It is noted that the terms of the agreement are generally typical of software agreements, and are relatively standard and in Hexagon's favour. Hexagon has limited its liability to the value of the work performed for direct damages. There is also an indemnification provision that potentially exposes the City to limitless liability with respect to third party claims where the City is solely negligent. In consultation with the Risk Management Division, we believe the benefits strongly outweigh the potential risks.

The City has had an ongoing relationship with Hexagon since 1998. The products provided by Hexagon meet the needs of the LFD and as noted generally terms would likely be no different with another provider.

### CAD Upgrade

Computer aided dispatch (CAD) upgrades have traditionally included a software upgrade as well as replacement of the associated computer hardware (hardware). The City's Information Technology Services assists with the life cycle replacement of the hardware that is replaced every three (3) years, as per Corporate computer hardware procurement practices. Ensuring the LFD is using the most current vendor supported version of the CAD software, while at the same time recognizing the need to minimize operational impacts during an upgrade, the CAD upgrade is aligned with the scheduled replacement of the Corporate computer hardware. It is noted that current computer hardware is now at the end of its life cycle, requires replacement and is included in the approved Information Technology Services Budget.

This planned upgrade will be the sixth (6th) since the original implementation of the software and will see the Department move from version 9.1.1 to version 9.3. This upgrade also includes the

necessary steps to integrate the Business Intelligence tool purchased in 2012 with the upgraded CAD software. The LFD and Information Technology Services have worked with Hexagon to develop the Statement of Work # 2016-1019 related to the upgrade and are in the final stages of its development.

<b>FINANCIAL IMPACT</b>
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The expenditure noted (\$145,343 HST extra) can be accommodated within the 2016 approved Capital Budget. There are no anticipated incremental operating budget impacts at this time.

<b>SUMMARY</b>
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In order to streamline the interaction between Hexagon and the City regarding the future purchases of software and/or upgrading of existing software, the LFD is recommending that the City enter into a Master Purchase and Service Agreement, which outlines the terms and conditions that will cover all purchases made from Hexagon.

This attached By-law seeks approval of the agreement and authorizes the Mayor and Clerk to sign the agreement. In addition, the computer hardware, on which the CAD system is installed, is at the end of its life cycle and must be replaced, as per Corporate computer hardware practices. Concurrent to the upgrade of the dispatching computer hardware, it has been the practice of the LFD to upgrade the CAD software provided by Intergraph Canada Ltd. doing business as Hexagon Safety & Infrastructure to the most current version. This incremental approach to upgrading the system minimizes operational disruption. In addition, the Business Intelligence program approved by Council and implemented in 2012 will be integrated into the upgraded CAD software.

The LFD will continue to request Council approval as required by the Purchasing By-law for any specific purchase.

<b>SUBMITTED BY:</b>	<b>RECOMMENDED BY:</b>
<b>LORI HAMER DEPUTY FIRE CHIEF</b>	<b>JOHN KOBARDA FIRE CHIEF</b>
<b>REVIEWED AND CONCURRED BY:</b>	<b>REVIEWED AND CONCURRED BY:</b>
<b>LYNNE LIVINGSTONE, MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN &amp; FIRE SERVICES</b>	<b>ANNA LISA BARBON DIRECTOR, FINANCIAL SERVICES</b>

C. Dan Dobson

## APPENDIX A

Bill No.  
2016

By-law No. .-

A By-law to approve the Master Purchase Agreement with Intergraph Canada Ltd. doing business as Hexagon Safety & Infrastructure for the supply and installation of various Software Products and other services to be purchased under a Purchase Order; and to authorize the Mayor and the City Clerk to execute the Agreement.

WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 2(1) of the *Fire Protection and Prevention Act, 1997*, S.O. 1997, c. 4, as amended, provides that every municipality shall provide such other fire protection services as it determines may be necessary in accordance with its needs and circumstances;

AND WHEREAS subsection 5(3) of the *Municipal Act, 2001* provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Master Product and Services Agreement attached as Schedule A to this by-law, between The Corporation of the City of London and Intergraph Canada Ltd. doing business as Hexagon Safety & Infrastructure, which sets the terms and conditions for purchases by way of Purchase Orders from Intergraph Canada Ltd., is authorized and approved.
2. The Fire Chief is delegated the authority to appoint in writing a Project Manager for the purposes of the Master Purchase Agreement approved in 1 above.
3. The Mayor and the City Clerk are authorized to execute the agreement approved under section 1 above.
4. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council May 31, 2016

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First Reading –  
Second Reading –  
Third Reading –