

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON NOVEMBER 21, 2017
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR – ENVIRONMENTAL and ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	PHASE 1 IMPLEMENTATION OF CITYWORKS CMMS SOLUTION FOR WATER, SANITARY AND STORMWATER INFRASTRUCTURE – SERVICE AGREEMENT

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions be taken with respect to the City of London entering into a Service Agreement and a Licence and Maintenance Agreement for the Computerized Maintenance Management System (CMMS) – Cityworks, with Esri Canada Limited and Azteca Systems LLC, respectively:

- a) the attached proposed by-law (Appendix ‘A’) **BE INTRODUCED** at the Municipal Council meeting on November 28, 2017 to:
 - i) authorize and approve a Service Agreement between The Corporation of the City of London and Esri Canada Limited for Phase 1 Implementation of Cityworks CMMS Solution for Water, Sanitary and Stormwater Infrastructure (Schedule ‘A’ to the by-law); and
 - ii) authorize the Mayor and the City Clerk to execute the Service Agreement authorized and approved in a) i), above;

- b) the attached proposed by-law (Appendix ‘B’) **BE INTRODUCED** at the Municipal Council meeting on November 28, 2017 to:
 - i) authorize and approve a Licence and Maintenance Agreement between The Corporation of the City of London and Azteca Systems LLC for Cityworks (Schedule ‘A’ to the by-law); and
 - ii) authorize the Mayor and the City Clerk to execute the Licence and Maintenance Agreement authorized and approved in b) i), above.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- **2017-10-24, Report to Civic Works Committee** - Phase 1 Implementation of Cityworks CMMS Solution for Water, Sanitary and Stormwater Infrastructure.
- **2016-06-08, Report to Civic Works Committee** - Computerized Maintenance Management System Subject: Acquisition Esri Canada Limited Cityworks
- **2016-2019 Multi-Year Budget** – Additional Investments Business Case #12 (BC12-CMMS)
- **2013-06-17, Report to Civic Works Committee** - Single Source Supply and Implementation of a Computerized Maintenance Management System

COUNCIL’S 2015-19 STRATEGIC PLAN

Municipal Council has recognized the importance of proactive financial management and

excellent service delivery. The implementation of CMMS is identified in Council's Strategic Plan - *Leading in Public Service* strategic area of focus.

BACKGROUND

Purpose

The purpose of this report is to bring forward a bylaw to authorize and approve an agreement with Esri Canada Limited to complete the first phase of the corporate computerized maintenance management system.

Context

The CMMS will allow for the implementation of a new technology to assist in the management of corporate assets, financial and reporting systems, and billing systems. Implementation of the Cityworks software will ultimately support operations and maintenance activities for Water, Sanitary, Stormwater, Forestry, Parks Operations, Transportation and Roadside Operations and Solid Waste.

DISCUSSION

The objective for the implementation of CityWorks is to provide the Water, Sanitary, Stormwater, Forestry, Parks Operations, Transportation and Roadside Operations and Solid Waste Divisions with a flexible and easy to use solution enabling staff to plan, record and report on work activities to deliver a timely, effective, efficient, and economical service. Further, the CMMS will provide critical information to support the corporate asset management program.

At its October 30, 2017, meeting Council resolved:

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer the following actions BE TAKEN with respect to the procurement of the Computerized Maintenance Management System (CMMS) – Cityworks - Esri Canada Limited, to support operational activities including field work in the City of London:

- a) *That the funding for Phase 1 Implementation of Cityworks CMMS solution for Water, Sanitary and Stormwater Infrastructure, estimated price, \$1,985,400, HST excluded, BE APPROVED, noting that;*
 - *\$1,244,400 is for Capital as set out in the Source of Financing Report attached hereto as Appendix A.*
 - *\$741,000 (\$247,000 per year) for software licenses over three (3) years which is funded from the Operating budget.*
- b) *That Civic Administration BE DIRECTED to proceed with Phase 1 of the CMMS project, in accordance with the Procurement of Goods and Services Policy;*
- c) *Civic Administration BE AUTHORIZED to undertake all the administrative acts that are necessary in connection with the purchase and implementation of the Phase 1 of the CMMS project and;*
- d) *Approval hereby given BE CONDITIONAL upon the Corporation entering into a formal contract, service agreement(s) or having a purchase order, or contract record relating to the subject matter of this approval and;*

- e) *That the outcome of the Discovery Phase BE RECEIVED for information, and the Strategic Plan Dashboard BE UPDATED accordingly.*

This report recommends that the Mayor and City Clerk be authorized to execute any contract or other documents, if required, to give effect to the recommendations resolved by the Civic Works Committee, October 24th. The Esri Canada Limited service agreement associated to Phase 1 Implementation of Cityworks CMMS Solution for Water, Sanitary and Stormwater Infrastructure has been reviewed by the City Solicitor's Office.

The accompanying Azteca Systems, LLC "Cityworks" Licence and Maintenance Agreement has been reviewed by the City Solicitor's Office and Risk Management. Risk Management advises the Agreement contains a Limitation of Liability provision (Article 7). This clause is standard and exposes the City of London to a limit on damages for any claim to the value of the contract fees. In the opinion of Corporate Insurance/Risk Management, this should not stop the City of London from moving forward with final approval of this agreement as the benefits of this product outweigh the potential risks.

CONCLUSIONS

It is recommended that the Mayor and City Clerk be authorized to execute both the Service Agreement and the Licence and Maintenance Agreement attached as Schedule 'A' to each of the By-laws attached as Appendix 'A' and 'B', respectively, noting that both agreements have been reviewed by the City Solicitor's Office. Implementation of the first phase of the Cityworks software will support operations and maintenance activities for Water, Sanitary, Stormwater setting the stage for future phases supporting Forestry, Parks Operations, Transportation and Roadside Operations and Solid Waste.

Acknowledgements

This report has been prepared by Gary Stronghill with input from Scott Mathers, Edward Soldo, David Munteer and Jason Wills.

PREPARED BY:	REVIEWED & CONCURRED BY:
GARY STRONGHILL, GISP MANAGER, INFRASTRUCTURE SYSTEMS, GEOMATICS	SCOTT MATHERS, MPA, P. ENG. DIRECTOR WATER & WASTEWATER
RECOMMENDED BY:	
KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL and ENGINEERING SERVICES and CITY ENGINEER	

Attach: Appendix 'A' – By-law to authorize Service Agreement
 Schedule 'A' – Professional Services Agreement
 Appendix 'B' – By-law to authorize Licence and Maintenance Agreement
 Schedule 'A' – Cityworks licence Agreement

cc: David Munteer, Jason Wills