

TO:	CHAIR AND MEMBERS FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE MEETING ON MONDAY, JULY 16, 2012
FROM:	JOSEPH EDWARD CHIEF TECHNOLOGY OFFICER TECHNOLOGY SERVICES DIVISION
SUBJECT:	VOLUME LICENSE PRICING AGREEMENT WITH ORACLE CANADA ULC

RECOMMENDATION

That, on the recommendation of the Chief Technology Officer of the City of London, the following actions be taken with respect to a Volume License Pricing Agreement with Oracle Canada ULC:

- a) the attached proposed by-law (Appendix "B") **BE INTRODUCED** at the Municipal Council meeting on July 24, 2012 to:
 - i) authorize and approve a Master Agreement Acknowledgement (attached as Schedule 1 to the by-law) between The Corporation of the City of London and Oracle Canada ULC to qualify for obtaining volume license pricing for products and services offered by Oracle;
 - ii) delegate to the Chief Technology Officer of the City of London the authority to execute the agreement authorized and approved in part a), above; and
- b) the Civic Administration **BE AUTHORIZED** to undertake all the necessary administrative acts in connection with this matter.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Item 4 –Information Technology Strategy, Finance and Administration Committee – January 16, 2012

BACKGROUND

On January 16, 2012, the Technology Services Division (TSD) presented the City of London Information Technology (IT) Strategy to the Finance and Administrative Services Committee. This Strategy was developed to enable the City to achieve the results outlined in the City of London Strategic Plan by aligning IT investments with corporate priorities, and by leveraging IT as a strategic asset to enable growth and service excellence. As part of the IT Strategy, TSD presented a financial strategy to fund some of the strategic initiatives needed. (Appendix "A" attached.) TSD has been actively reviewing all the software license costs and annual maintenance costs in order to increase optimization and reduce costs. This has resulted in savings of \$1 million in 2011, which Council agreed to set aside in the Technology Reserve Fund. The recently-approved web modernization project was funded from this Reserve Fund.

TSD has continued to seek further opportunities for optimizing software licenses and maintenance agreements, in order to reinvest those savings in further enhancements to the City's IT asset. On September 17, 2010, the Ontario Government signed a volume license pricing agreement (#MGS-ORACLE-VLA 001) with Oracle Canada ULC, for products and services offered by Oracle Corporation. This offer was extended to other broader public sector organizations such as the City of London. By signing the Master Agreement Acknowledgement (forming part of Appendix "B" attached.), the City of London could qualify for the same discount level as the Ontario Government on the Oracle products and services it uses as part of the Information Technology landscape, thereby reducing the City's current license cost. London's ERP system, JD Edwards, is an Oracle Corporation product and London also uses the Oracle database for other applications.

RECOMMENDED BY:
JOSEPH EDWARD CHIEF TECHNOLOGY OFFICER