



Corporate NO: R057

Report COUNCIL DATE: March 13, 2000

REGULAR

TO: Mayor & Council **DATE: March 8, 2000**

FROM: City Solicitor **FILE: 0890-004-02**
General Manager, Finance, Technology & HR

SUBJECT: Purchase of computer software

RECOMMENDATION

That Council approve the purchase of software and services from Computronix for \$348,000, including applicable taxes.

BACKGROUND

The Bylaw Licensing study, completed in 1999, identified that the Bylaw Division's business operations are paper based and manual, and creating poor customer response times and high operating costs. This inhibits revenue growth and makes workload increases and operating cost reductions difficult.

This purchase is very close to the City Manager's purchasing approval limit and therefore is presented for Council's information, consideration and approval.

DISCUSSION

The Project will implement 'POSSE', a workflow management system, developed for managing and reporting municipal government activities. It will impact license processing and customer

service in Bylaws and Planning and Development. With this system, Bylaw officers, as part of their scheduled inspections, can validate multiple business licenses in the same or adjacent complex using mobile computer 'tablets', rather than multiple return trips to the office, checking paper records.

By implementing this new workflow system, the City will be able to generate additional revenues, improve customer service, increase staff productivity and reduce operating costs.

This is one of the many initiatives the City is undertaking to implement sustainable solutions to support the City's Operating Budget.

BENEFITS

The POSSE system will streamline the current business operations in the Bylaw Division to generate significant business improvements.

Improved customer service benefits are:

- Reduce impact on public through fewer site inspections
- Provide public with zoning information more quickly
- Immediate license turnaround

Productivity improvements benefits are:

- Eliminate duplicate office data entry and paper forms
- Automate tracking of complaints, infractions and assignments
- Automate renewal process reducing delinquent accounts
- Reduce business site inspections

- Create decision support information
- Re-allocate resources efficiently to improve staff performance

TANGIBLE BUDGET IMPACTS

The anticipated Phase I & II impacts on the City's budget are:

1. In the first year of production (2001), there will be an estimated net decrease in expenditures of \$29,400 and revenue increase of \$155,600. This has the affect of adding an additional \$185,000 to the City's 'bottom line'. The net impact on expenditures is a function of increased costs for software maintenance and IT support, offset by a reduction in printing, duplication and forms costs, and processing times.
2. In 2002, there will be additional new revenues of \$258,300. In all years, these additional revenues are NEW license revenue currently not being collected.
3. A further \$318,200 in NEW revenues will be added in 2003. This totals a net increase in City revenues of \$761,500 in 3 years. These additional revenues will continue into the future.

CONCLUSION

In accordance with the City's Purchase Policy, we recommend that Council approve the purchase of software and services from Computronix for \$348,000 (including applicable taxes). The total capital investment of the project is estimated to be \$610,000 for software, hardware, training and consulting.

This capital investment has a targeted "pay back" in 3 years. In other words, the budget savings over the next three years will total more then the costs of the system. Funding is available through the Council-approved 2000 Information Technology Capital Program.

Craig MacFarlane Gary D. Guthrie, CA
City Solicitor General Manager, Finance, Technology & HR
cc: City Manager
 City Clerk