



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.1

Halifax Regional Council
July 8, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "G.L. Kaiser", written over a horizontal line.

Geris Kaiser, Acting Chief Administrative Officer

DATE: June 24, 2008

SUBJECT: Award - Sole Source Purchase Aliant, Replatforming of HRM
Parking Ticket System

ORIGIN

Retirement of the technical platform on which the current HRM Parking Ticket resides requires the existing application be rebuilt and replatformed to ensure continuity of the service.

RECOMMENDATION

It is recommended that Council award the contract for the rebuilding and replatforming of the current Parking Ticket Application to Aliant, for a maximum upset price not to exceed \$122,046.22 including net HST to be amortized over a period not to exceed 38 months, with funding from operating account A315 GL 6201- Finance, Revenue as outlined in the Budget Implications section of this report.

BACKGROUND

On September 24, 2002, Halifax Regional Council awarded RFP # 01-063, E-commerce Portal for the development and maintenance of the E-Commerce Portal, to the highest scoring proponent, Aliant. The partnership approach, under the Master E-Commerce Portal Development Agreement, was a development and hosting arrangement whereby a business case was developed and then a business decision was made on whether HRM would proceed with the e-commerce initiative. Once the business case was accepted by HRM, Aliant would put the solution into development and testing for eventual acceptance by HRM. This Master Portal Agreement remained in effect for a period of five years and expired in November 2007.

The current HRM Interactive Voice Response (IVR) and Web-based Parking Ticket Payment system was the first e-commerce project undertaken by HRM under the HRM/Aliant Master E-Commerce Portal Development Agreement. HRM negotiated a price with Aliant for the system build amortized over 60 months commencing March 1, 2003, for a monthly fee of \$6,080.77 including net hst. This monthly fee includes the cost of the application build and the monthly hosting and maintenance of the service.

The current HRM parking ticket application is a “hosted” application which means that HRM has not built and does not maintain the application. That service is provided by Aliant. HRM has been advised that the current technology platform will be retired by Aliant by October 2008 and the service needs to be ported to a new technology platform. This is a normal course in the life cycle of software applications.

The Parking ticket payment system has been a highly successful e-commerce undertaking for HRM and the residents of HRM generating over \$1.4 million dollars in revenue annually through the electronic payment of over 55,000 tickets annually. The service has been well received and well used by the public, and is also the application used for parking ticket payments at the HRM Call Centre.

DISCUSSION

In order to ensure a seamless continuation of the parking ticket service it is necessary that any new application and platform perform the same payment functions in the same formats with the same file and transfer protocols as the current system. Compatibility with the current parking ticket payment process is critical.

The net effect of engaging Aliant to rebuild and replatform the application is:

- To ensure that the existing service will be extended seamlessly on to a new technical platform and mitigate any risk of service interruption.

Due diligence regarding the cost has been fulfilled through an extensive negotiation and review with Aliant to ensure that the Statement of Work (SOW) reflects the actual work to be performed in replatforming of the application against the proposed costs.

The rebuild results in a small reduction in HRM's monthly costs for the IVR/Web Parking ticket application over current costs. At the end of the amortization period HRM will own the application code and be able to move the application "in house" or continue to host the application at HRM's discretion.

BUDGET IMPLICATIONS

There are no additional capital or operating funds required to fund the rebuild, replatforming and continued hosting of the Parking Ticket System. There are sufficient operating funds budgeted for the ongoing costs of the system to cover the cost of the rebuild, hosting and maintenance of the parking ticket application as proposed.

Proposed:

Ticket System rebuild & amortization (Aliant)	\$ 3,723.45
Application maintenance & support (Ambir)	\$ 1,379.75
<u>IVR hosting & support (Aliant)</u>	<u>\$ 775.72</u>
Total proposed monthly costs for Parking Ticket System	\$ 5,878.92

Current:

Total current monthly costs for the IVR/Web Parking Ticket System	\$ 6,080.77
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*All amounts include net HST

Budget Summary: A315 - 6201- Revenue, Ticket Office

Cumulative unspent budget as of June 25, 2008	\$ 67,083.00
Less: Cost of proposed Parking Ticket System till fiscal year end	<u>\$ 64,668.12</u>
Balance	\$ 2,414.88

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no alternatives to this course of action that mitigate the risk of service disruption to HRM and residents wishing to pay for parking tickets through the current IVR/Web parking ticket payment system.


ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Cathy Mellett, Division Manager, BPIM Client Services 490-6456

Financial Approval by:



Catherine Sanderson, Senior Manager, Financial Services, 490-1562

Report Approved by:



Brad Anguish, Director, Business Planning & Information Management