

RE: DEMONSTRATION PROJECT C/W DIGITAL EQUIPMENT CORPORATION OF CANADA  
AND SYNERCOM TECHNOLOGY INCORPORATED

ACTING MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Administrative & Community Services be adopted.

\* \* \* \* \*

1985 May 14

TO: MUNICIPAL MANAGER  
FROM: DIRECTOR ADMINISTRATIVE & COMMUNITY SERVICES  
RE: DEMONSTRATION PROJECT WITH  
DIGITAL EQUIPMENT CORPORATION OF CANADA AND  
SYNERCOM TECHNOLOGY INCORPORATED

RECOMMENDATIONS:

1. THAT the terms of the arrangement for a computer demonstration project between the CORPORATION and DIGITAL EQUIPMENT CORPORATION OF CANADA and SYNERCOM TECHNOLOGY INCORPORATED as described in this report be approved.
2. THAT with respect to the demonstration project, authority be granted to the Director Administrative & Community Services to execute the necessary letters of intent, and to the Municipal Clerk to execute any agreements arising therefrom, provided that those letters and agreements are in a form satisfactory to the Municipal Solicitor.
3. THAT the staff be authorized to proceed with the establishment of the demonstration facility, including the recruitment of the appropriate temporary staff.
4. THAT an invitation be extended by The Corporation of the District of Burnaby to host the 1986 Conference of the Spatially Oriented Referencing Systems Associations (SORSA).
5. THAT the Municipal Manager be authorized to approve conferences costing in excess of \$900 for the purposes of this project only.

SUMMARY:

This report sets out the terms of an agreement reached on a tentative basis between the staff on behalf of the municipality and Digital Equipment Corporation of Canada and Synercom Technology Incorporated, to operate a demonstration project during 1986. The purpose of the project is to highlight Burnaby's achievements in integrated information systems, focusing on our state of the art utilization of computerized mapping in the local government sector and by so doing to create a marketing opportunity for the companies involved. Burnaby will offer a first-class presentation facility, demonstrating the system to clients and potential clients of the two companies, in return for considerations in cash and donated equipment and services. The out-of-pocket costs for the municipality to operate such a demonstration project are estimated to be approximately \$250,000; while the two companies involved have agreed to provide cash, equipment and services to a total value of \$720,000, for a net benefit to Burnaby of approximately \$470,000.

|                      |          |
|----------------------|----------|
| ITEM                 | 14       |
| MANAGER'S REPORT NO. | 35       |
| COUNCIL MEETING      | 85/05/21 |

44

MUNICIPAL MANAGER

(2) 1985 May 14

## R E P O R T

### Introduction:

Members of Council will be aware of the fact that for a number of years Burnaby has been a focal point of interest on the international level because of its achievements in computerized mapping. The Corporation began the process of introducing computerized mapping some eight years ago, and is now, to the best of our knowledge, among the most advanced, if not the most advanced, local jurisdiction in that respect internationally.

As a result, there has been over the past several years an almost constant flow of requests for information on our experience from all over the world. Mr. Harry Christie, the Corporation's Supervisor of Mapping and Drafting in the Engineering Department, and the key individual in the whole computerized mapping application in Burnaby, has been in constant demand as a reference person, and as a speaker at international gatherings in the whole field of geographically-based information systems.

As we proceeded with the early stages of the implementation of the Strategic Plan for Information Management, and examined in some detail the various costs and benefits associated with the evolution of Burnaby's information systems, staff again focused on the role that Burnaby has played in the computerized mapping area. Early on in that process, Mr. Christie and Robert Liley of Robert Liley & Associates, our consultants on the Information Services project, suggested that there might be an opportunity to take advantage of the interest in Burnaby's systems, particularly in light of the new approaches now being implemented. That opportunity seemed particularly timely because of the world fair, which has a very strong technological focus, to be held in Vancouver during 1986. The suggestion was that there might well be a strong marketing opportunity for those companies who supply the hardware and software for our systems, during Expo.

As a result, we approached our two major suppliers of hardware and software, Digital Equipment of Canada and Synercom Technology Inc. and proposed to them that we offer a demonstration project, highlighting Burnaby's experience and expertise, to run during the period that the 1986 World Fair is open.

That proposal led to an extensive negotiation process with the two companies involved. We have now reached tentative agreement with Digital and Synercom; this report sets out the general terms of the agreements, and seeks Council's approval to proceed with the project.

MUNICIPAL MANAGER

(3)

ITEM 14

MANAGER'S REPORT NO. 35

COUNCIL MEETING 85/05/21

1985 May 14

Burnaby's Commitment:

Burnaby's commitment to the project is to offer an effective demonstration of our integrated information system; to actively promote that demonstration project and the integrated approach we have taken with potential customers of the two companies; and to provide the necessary staff resources to effectively carry out the project.

Mr. Harry Christie, the Supervisor Mapping and Drafting and the Corporation's resident mapping systems expert, will be seconded from his current duties, as needed, to actually manage the demonstration project, beginning with detailed planning through to actual supervision of the demonstration.

Digital Commitment:

The Digital Equipment Corporation of Canada Limited has agreed, in return for the Corporation offering this demonstration marketing opportunity, to provide \$300,000 worth of computer equipment, drawn mostly from the Phase 3 orders for such equipment already in place, at no charge to the Corporation except for taxes, duty and shipping. In addition, Digital will pay to the Corporation \$300,000 in cash on the understanding that further orders to Digital to that dollar value will be placed by 1986 June 30. The current Strategic Plan calls for further orders in the later phases of our implementation to at least that value in any event. The gross contribution, then, from the Digital Equipment Corporation for the demonstration project is approximately \$600,000.

The Synercom Commitment:

Synercom Technology Incorporated of Houston, Texas is the supplier of software for Burnaby's mapping systems. As such, Synercom too stands to benefit from the demonstration project, inasmuch as the hardware and software are designed to work together, to actually create the kind of computerized mapping system that Burnaby is utilizing. As its contribution to the demonstration project, Synercom Technology Incorporated has agreed to provide to the Corporation without charge an additional software package entitled EMIS (Environmental Mapping Information System) and 50% of the maintenance cost of all Synercom software for a three year period beginning in 1986 to a total dollar value of approximately \$120,000.

While we had not planned originally to purchase the EMIS package, we have had it on loan for testing purposes, and feel that it will be a valuable asset to the system. The 50% reduction in software maintenance costs will certainly be of assistance in managing operating budgets over the next three years.

MUNICIPAL MANAGER

(4)

1985 May 14

146

Promotion of the Project:

A fairly major part of Burnaby's commitment to the demonstration project has to do with our promotion of it. The agreement with Digital calls for Burnaby to participate with the company in the production of advance promotional materials, extensive kits to be supplied to people who actually attend the demonstration centre, and attendance at a number of conferences of geographically-based information systems organizations. Various staff including Mr. Christie have already been and will continue to attend a number of conferences in Canada, the United States, Europe and Australia over the next 18 months, making presentations on the computerized mapping system, and inviting potential system users to attend the demonstration facility in Burnaby.

As a part of our planning for the promotion of the project, we have tentatively extended an invitation to host the 1986 conference of one of those international geographically-based information system associations, the Spatially Oriented Referencing Systems Association (SORSA). Mr. Christie will be delivering a major paper on Burnaby's approach to information systems at the 1985 conference of that body in Holland in June; at that time, it is recommended that he, on behalf of the Mayor and Council, extend a formal invitation to the association to hold its 1986 Conference in Burnaby, sometime in the Fall of 1986. This report recommends that the Council extend a formal invitation to that body.

Members of Council will be interested to know that one of the strong areas of interest of the companies and many of their public sector clients has been Burnaby's approach to integrating geographically-based information (i.e., computer mapping) with the more traditional "business" and management information systems. They are intrigued with our general approach to management within the Corporation, specifically the coordination and integration that result from the new organization structure and the Management Committee, and the fact that our information systems have been designed and are being developed in a similar fashion. They have requested that we give emphasis to that in the demonstration project.

Project Budget:

At this time, staff have drawn up a tentative project budget for the demonstration project, including funding for all of the various Burnaby commitments described above. We expect that Burnaby's out-of-pocket costs, to be funded from the cash revenue from Digital Equipment Corporation, should not exceed \$250,000, including the cost of renovating the Fourth Floor Conference Room, equipping it with sophisticated modern audio-visual equipment, and including the cost of necessary temporary staff, conference attendance, transportation of visitors (from the ALRT system to the Municipal Hall) and various promotional materials. An approximate breakdown of the preliminary budget for the entire project is as follows:

MUNICIPAL MANAGER

(5)

1985 May 14

|   |                   |
|---|-------------------|
| Renovation & equipment<br>(4th floor)   | \$ 50,000         |
| Staffing costs<br>(temporary personnel) | 60,000            |
| Printing and promotional<br>materials   | 55,000            |
| Conferences (1985 & 1986)<br>and travel | 40,000            |
| Local Transportation of<br>visitors     | 25,000            |
| Fees and miscellaneous<br>expenses      | 20,000            |
|   | <u>\$ 250,000</u> |

It is intended that the actual cash donation will be credited toward the Non-recurring Development Cost Reserve, and that expenditures for the project would be charged against that reserve. Authority to spend funds from that reserve is provided in the 1985 Operating Budget, although no specific provision was made. Expenditures to date include only a modest amount in fees and travel expense associated with negotiating the agreement, and attendance at some of the early conferences, which staff attended in anticipation of Council's approval of the project. The donations of equipment, software and services will simply result in lowered expenditures in the appropriate Capital and Operating accounts. Overall, the net advantage to Burnaby of the project is about \$470,000.

We will, of course, have long term continuing use of the Fourth Floor Conference Room facility, complete with its capability of projection onto a screen directly from a computer terminal. This facility will be of significant value for Council, committee and staff training purposes.

Legal Agreements:

It is intended that a Letter of Intent will be drawn up between the Digital Equipment Corporation and Burnaby, setting out the specifics of the commitments of both parties. Authority for the Director Administrative & Community Services to sign such a letter is requested. Once agreement has been reached on all of the details of the demonstration project, a formal agreement would be drawn up between the Corporation and Digital, such an agreement to be drawn in a form satisfactory to the Municipal Solicitor. This report seeks the authority for the Director Administrative & Community Services to execute such an agreement.

A similar process would be followed with Synercom Technology Incorporated.

MUNICIPAL MANAGER


(6)

148

Conclusion:

The proposed demonstration project provides an attractive marketing opportunity for our corporate partners, and a financially advantageous arrangement for Burnaby. Equally important from our point of view, however, is the opportunity for Council and staff to show with pride to others from around the world what Burnaby has been able to achieve in the systems development area.

Staff are excited about this prospect, and proud of our achievements. Council's support for the project and approval of the recommendations is respectfully requested.



JOHN E. FLEMING  
DIRECTOR

JEF:gmc

cc: -Kenneth B. Copeland, President  
Digital Equipment of Canada Ltd.

-Tom Moore, President  
Synercom Technology Inc.

-Robert W. Liley  
-Information Services Director  
-Supervisor Mapping & Drafting  
-Director Engineering  
-Director Finance  
-Municipal Solicitor