FINANCE AND CIVIC DEVELOPMENT COMMITTEE

HIS WORSHIP, THE MAYOR
AND COUNCILLORS

SUBJECT: **2011 COMPUTER CENTRAL SITE EQUIPMENT REPLACEMENTS AND ADDITIONS**

RECOMMENDATION:

1.   THAT Council bring down a Capital Reserves Expenditure Bylaw in the amount of $982,000 inclusive of 12% HST to finance the purchase of computer hardware, software, database licensing, and consulting services, as outlined in this report.

REPORT

The Finance and Civic Development Committee, at its meeting held on 2011 March 24, received and adopted the *attached* report seeking funding approval for the purchase of new computer equipment, associated database licensing, software and consulting services as part of the annual equipment replacement program. The work is provided for in the 2011 Provisional Budget.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor N. Volkow
Vice Chair

Councillor C. Jordan
Member

Copied to:	City Manager
	Deputy City Manager (C. Turpin)
	ERP Program Manager
	Chief Information Officer
	Director Finance
	City Solicitor

TO:	CHAIR AND MEMBERS FINANCE AND CIVIC DEVELOPMENT COMMITTEE	**DATE:**	2011 March 17
FROM:	DIRECTOR FINANCE	**FILE:** *Reference:*	5220 – 01 *Equipment Replacements*

SUBJECT: **2011 COMPUTER CENTRAL SITE EQUIPMENT REPLACEMENTS AND ADDITIONS**

PURPOSE: To request capital funding for the purchase of new and replacement computer equipment, associated database licensing, software and consulting services.

RECOMMENDATION:

1. **THAT** a Capital Reserves Expenditure Bylaw in the amount of $982,000 inclusive of 12% HST be brought down to finance the purchase of computer hardware, software, database licensing, and consulting services as outlined in this report.

REPORT

1.0   BACKGROUND

As part of the annual replacement program computer servers, uninterrupted power supply (UPS) units, phones, cash registers and other computer support equipment require replacement. This report outlines the program for the current year.

2.0   2011 PROGRAM

2.1   Central Site Replacements/Upgrades

Replacements are required as a result of application system upgrades, an increase in the user community, obsolesce of aging servers or as a cost savings measure to reduce high maintenance or support cost that are occurring. The UPS units require battery replacements based on their useful service life. Parts and a spare cash register are required to support the existing Point of Sale (POS) service centres. Phone handset equipment is also needed to repair and provide for replacements while repairs are taking place, spare equipment is required for additional needs.

2.2   VMware

An Information Services department green initiative aimed at reducing in the number of physical servers through consolidation is being expanded. In 2010, the City successfully piloted server virtualization using VMware to consolidate some test applications and database servers. In 2011, this program will be expanded to include some production applications. This will require additional servers, consulting services and software licences for this initiative during the transition period.

2.3   Virtual City Hall Project

As a new initiative the City's Virtual City Hall project requires additional servers, security firewall equipment, consulting services and software licenses.

2.4   Enterprise Business System Application

Additional servers are required to protect the internal applications from external access as part of the Virtual City Hall deployment, provide for an environment to conduct upgrade assessments prior to implementation and to optimize performance on key servers that are approaching full capacity by distributing their workload.

3.0   DESCRIPTION OF COSTS

The cost breakdown for the proposed projects is shown in the table below:

#	Description	Equipment & Software	Consulting Services or Contract Services
2.1	Central site server replacement Program	$375,000	$65,000
	Oracle Licensing	$115,000	
	UPS	$75,000	
	POS Cash Register	$9,000	
	Telephone Hardware	$41,000	
2.2	VMware	$25,000	$25,000
2.3	Virtual City Hall Server and Fire Wall Server	$200,000	$20,000
2.4	Enterprise Business System Application	$32,000	
		$872,000	**$110,000**

4.0   RECOMMENDATION

To maintain and enhance the City's information systems networks as outlined in this report it is recommended that a Capital Reserves Expenditure Bylaw in the amount of $982,000 be drawn. This work is provided for in the 2011 Capital Program under the Finance Infrastructure Replacement Program.

It is recommended that a Capital Reserves Expenditure Bylaw in the amount of $982,000 including 12% HST be approved to provide funding for the projects described above. The work is provided for in the 2011 Provisional Budget.

Denise Jorgenson
DIRECTOR FINANCE

BS/DJ :ml

Copied to: City Manager
              Deputy City Manager (Chad Turpin)
              ERP Program Manger
              Chief Information Officer