



SUBJECT: Single source procurement request – enforcement software

TO: Community Planning, Regulation & Mobility Cttee.

FROM: Building and By-law Department

Report Number: BB-12-22

Wards Affected: All

File Numbers: 201-02

Date to Committee: July 5, 2022

Date to Council: July 12, 2022

Recommendation:

Approve a single source procurement process to Electronic Data Collection (EDC) Inc. (Aims Parking Solutions) for enforcement software and applicable licences as outlined in building and by-law department report BB-12-22; and

Authorize the Manager of Procurement Services to execute on behalf of the City of Burlington any required agreements with Electronic Data Collection (EDC) Inc. to give effect to the recommendations in this report, with content satisfactory to the Director of Transportation Services and Director of Building and By-law and in a form satisfactory to the Executive Director of Legal Services and Corporation Counsel.

PURPOSE:

In order to comply with Procurement By-law 04-2022, Council approval is required for purchases with a value of \$100,000 or more. The purpose of this report is to seek approval to proceed with a single source procurement process to purchase enforcement software that will be utilized in both the Transportation (parking) and Building and By-law (by-law) departments. This is expected to be the standard enforcement software for a minimum of 10 years or for the useful life of the software.

Vision to Focus Alignment:

- Deliver customer centric services with a focus on efficiency and technology transformation
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Background and Discussion:

WHY ARE WE PURCHASING THE SOFTWARE?

Purchase of new enforcement software will solve two ongoing issues:

1. **Replacement of 'end of life' parking database (Transportation Department).**
The parking enforcement database (Ticket Tracer) currently operating in the Transportation Department has reached its 'end of life' and requires replacement. The software was purchased in 1996 and if it were to fail, there would be no way to track ticket payments, send outstanding fines to collections, or issue parking tickets (potential loss of \$1.5 - \$2 million annually in parking fines).
2. **Allow for implementation of Administrative Monetary Penalty System (AMPS) for non-parking by-laws (Building & By-law Department).** Currently, 'non-parking' by-law tickets are written manually (paper tickets) and payments are processed through the Province's ICON database via staff in the Provincial Offences Office. Ticket processing and payment functions transfer to the municipality once AMPS is implemented.

In order to implement AMPS for 'non-parking' by-laws, an automated solution is required to track ticket status and allow for online payments. There is no existing City system that is currently configured to handle an AMPS process for 'non-parking' by-laws so new software is required.

WHY SINGLE SOURCE TO EDC CORPORATION (AIMS Software)?

Purchasing the AIMS enforcement software is considered the best value for the following reasons:

- **Discounted capital cost as the City already owns part of the software.**
While the parking enforcement data is located in the Ticket Tracer software, parking tickets are being issued using handheld devices with the AIMS software. It is estimated that this will discount the initial capital software cost by approximately \$71,000 USD (\$91,590 CAD at time of writing).
- **Savings in time/costs related to on-street payment machine/pay-by-phone programming.** The AIMS software is already programmed to work with the City's existing parking payment machines and pay-by-phone system which would otherwise result in labour and programming costs should another system be purchased. When new payment machines or pay-by-phone vendors are needed,

they will be required to integrate with AIMS. The AIMS software has been in operation for decades and has been configured to be compatible with most payment systems on the market so there is minimal risk to future procurement should AIMS be implemented.

- **Savings in staff time/faster cost recovery as it is already configured for 'non-parking' AMPS.** The AIMS product is already configured for use in a 'non-parking' AMPS program and does not require backend programming to configure to our needs. While there are other companies that could provide enforcement software, most require special programming and result in a propriety system. The need for additional programming would result in additional time from purchase to implementation which increases staffing costs and delays our ability to implement AMPS (and ultimately recover costs through new AMPS fees).

Utilizing the single source process to purchase the AIMS software is estimated save an additional year of project time as there is no requirement to develop an RFP (+6-8 months) and test proprietary programming (+4 months).

The reason other software companies have not adapted their systems for 'non-parking' AMPS is that the market is small. AMPS is unique to Ontario and not all municipalities use AMPS for 'non-parking' by-laws (only became popular in the last 5-7 years). The AIMS software is one of the oldest systems with many clients in Ontario across several sectors (municipalities, universities, hospitals, airports). As a result, they have been leaders in offering 'non-parking' AMPS solutions.

- **Alignment with Information Technology Strategy (IT).** From an Information Technology perspective, it is advantageous to use software products that are tested/proven, do not require a lot of customization in order to function/integrate with other systems and can be utilized across departments/sections. The AIMS software purchase will meet these objectives as it:
 - Eliminates proprietary software that is at risk of failing and requires constant resources from the IT department in order to keep it current an operational (i.e., Ticket Tracer).
 - Reduces the number of products required to perform the enforcement function in the City and meets the needs of two departments (instead of using a combination of AMANDA, Ticket Tracer and AIMS, it can be condensed to AIMS only).

- Minimizes the need for IT resources on a day-to-day operational basis given it is already configured for our requirements, has modern/user friendly interface and has a long standing, proven company available to provide service.

Financial Matters:

Sufficient funding is available in the amount of \$500,000 CAD from IT Budget CA0079 approved in 2021 to cover the software implementation and first year support costs as follows:

| | |
|--|-------------------------------|
| *Estimated Implementation Cost | \$283,475 CAD (\$227,500 USD) |
| Estimated Annual Support Cost | \$99,259 CAD (\$76,945 USD) |
| Minus Annual Support Costs currently paid by Transportation Department | -\$50,000 CAD |
| YEAR ONE PAYMENT | \$332,734 CAD |

**includes discount of \$71,000 USD (\$91,590 CAD) for existing software used by Transportation Department.*

After initial implementation, additional annual support costs in the amount of approximately \$50,000 CAD will need to be added to the operational budget in 2024. Annual support costs are estimated at \$100,000 annually with \$50,000 already budgeted from the Transportation Department via Accounts 532020 (Parking District Admin) and 534110 (Parking Enforcement).

Based on the current rate of violation and an industry scan of fines/fees for 'non-parking' by-laws, it is feasible that the annual support costs will be offset by the additional/fines fees collected once AMPS is implemented. However, without historical revenue, it should be assumed that approving this procurement process will result in an increase to the City's 2024 Operational Budget.

It should be noted that regardless which procurement method is used, any software purchase would result in additional operational fees.

Total Financial Impact

It is expected that this software will be the City's standard enforcement software for at least the next 10 years. With estimated annual support costs of approximately \$100,000 CAD, this represents an estimated total impact of at least \$1,332,734 CAD (year one - \$332,734 +9 years at \$100,000).

Climate Implications

Not applicable.

Engagement Matters:

Not applicable.

Conclusion:

Utilizing the single source procurement process for the purchase of the AIMS enforcement software provides the best value as it allows for an upgrade to software already utilized by the City while providing a solution for the implementation of an Administrative Monetary Penalty System for 'non-parking' by-laws.

Respectfully submitted,

Kerry Davren

Manager of By-law

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Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.