



The Corporation of the Town of Milton

Report To: Council
From: Glen Cowan, Chief Financial Officer / Treasurer
Date: May 13, 2024
Report No: ES-011-24
Subject: Purchasing Various - May 2024
Recommendation: **THAT Council approve the budget amendments and related funding sources as outlined on Schedule A.**

THAT the tender for Milton Sports Centre, Milton Operations Centre and Fire Station 4 – Roof Repairs and Replacement be awarded to Bothwell-Accurate Co. Inc. in the total amount of \$1,936,165 (excl. HST) as outlined in Schedule B.

THAT the tender for Reconstruction of Kelso Road Bridge (Structure 74) be awarded to Bronte Construction Inc. in the total amount of \$1,195,807 (excl. HST) as outlined in Schedule C.

THAT the contract renewal for design of the 2025 Expanded Asphalt Program to CIMA Canada Inc. in the total amount of \$254,464 (excl. HST) be approved as outlined in Schedule D.

THAT the delegated authority to proceed with the award of the contract administration of the 2025 Expanded Asphalt Program in the estimated amount of \$139,450 (excl. HST) to CIMA Canada Inc. be approved as outlined in Schedule D.

THAT the contract renewal for design of the 2025 Asphalt Overlay Program to WSP Canada Inc. in the total amount of \$371,621 (excl. HST) be approved as outlined in Schedule E.

THAT the delegated authority to proceed with the award of the contract administration of the 2025 Asphalt Overlay Program in the estimated amount of \$490,258 (excl. HST) to WSP Canada Inc. be approved as outlined in Schedule E.

THAT the contract increase of \$1,289,252 (exclusive of HST) to Workday Ltd. for the implementation of a replacement

Report To: Council

Financial Management System be approved as outlined in Schedule F;

THAT delegated authority be provided for staff to proceed with change orders (if required) up to an aggregate value of 35% of the contract increase value, in order provide for contingency costs and training requirements that may arise during implementation, as outlined in Schedule F;

THAT the original seven (7) year contract term (5 year plus 2 year renewal period) as established in CORS-029-21 with Workday Ltd. for and HRIS system be extended by one (1) additional year to align with the contract end date of the Financial Management System;

THAT a revised annual maintenance contract be awarded to Workday Ltd. (inclusive of the previously awarded HRIS modules as well as the newly awarded Financial Management System) for a six (6) year period ending in 2029 at the annual amounts outlined in the table below, in the total amount of \$2,918,426 (excluding taxes).

THAT the contract renewal for Council Meeting Management Software System (eScribe) in the total amount of \$166,175 (excl. HST) be approved as outlined in Schedule G.

THAT the Manager, Purchasing and Supply Chain Management be authorized to execute the contract extension, as outlined by the purchasing by-law, and the Mayor and the Town Clerk be authorized to sign any required paperwork.

EXECUTIVE SUMMARY

This report is being submitted to obtain Council's authorization on the item in the attached schedule. Requests are being made as per the guidelines outlined in the Purchasing By-law No. 061-2018.

REPORT

Background

Procurement of goods and services is governed by By-law No. 061-2018. Purchasing activity is undertaken in a manner that is intended to support the Town's mandate to provide effective, responsible government and efficiently deliver services to the residents of Milton.

Discussion

Information pertaining to the recommended purchasing awards is included on the corresponding Schedules (A to G) attached.

Included within this report are tender awards for roof repairs and replacement at various Milton locations and reconstruction of Kelso Road bridge. As shown in the schedules attached, in each case the low bid resulted in a favourable variance relative to the approved budget for the works.

Also included are the contract renewals for the 2025 expanded asphalt program and the 2025 asphalt overlay program. These renewals include approval of the award for design work that will take place in 2024, plus delegated approval of the contract administration work that will take place in 2025. This is the final renewal option for these contracts as part of the terms established in the competitive request for proposal processes that were previously undertaken. New competitive bids will be issued for the 2026 to 2028 programs.

In July 2023, Council received an update on the Town's Financial Management System (FMS) via CORS-037-23 which authorized staff to negotiate on a single source basis the award for the implementation and annual licensing of a replacement FMS to Workday Ltd. The results of that negotiation and work planning is presented in Schedule F. The related recommendations include the award for the project implementation for \$1,289,252, as well as the award of annual software licensing costs. In order to align the licensing costs of the HRIS modules with the FMS modules, adjustments to the existing agreement with Workday are also recommended, and result in a consolidated fee structure that extends to 2029.

Finally, there is a contract renewal for the Council Meeting Management Software System (eScribe) in the total amount of \$166,175. The contract renewal term is for a total of 44 months, concluding December 31, 2027. Fees are due annually and will increase from the previous year's fees by six percent.



Financial Impact

Financial impacts are outlined in detail on the attached Schedules A through G, and result in a reduction to the Town's capital program of \$1,203,068. These savings were realized largely from the results of the recent tender processes that were undertaken. The savings will be returned to the Town's Project Variance Account and Roads Development Charge Reserve Fund, and will result in a reduction in the amount of tax-supported debt required by the Town.

For the implementation of the FMS with Workday, sufficient funds have been approved within the Town's capital budget for the implementation costs, as well as the incremental licensing costs that will be incurred in advance of the software becoming operational. Annual licensing costs for Workday, inclusive of both the HRIS and FMS modules, will range from an estimated \$498,787 in 2025 to \$539,902 in 2029. These figures may vary in the future due factors such as growth in the number of Town users/licenses. Once the Town's existing legacy FMS system is decommissioned and the related licensing budget becomes available, sufficient funding will exist within the Town's current operating budget for the consolidated annual licensing payments to Workday.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact:	Sharon Telfer, Manager, Purchasing and Supply Chain Management	Phone: Ext. 2138
	Shirley Xie, Supervisor, Financial Reporting	Phone: Ext. 2472



Attachments

- Schedule A – Reserve and Reserve Fund Transfers
- Schedule B – Tender award for Roof Repairs and Replacement
- Schedule C – Tender award for Reconstruction of Kelso Road Bridge
- Schedule D – Contract Renewal for the 2025 Expanded Asphalt Program
- Schedule E – Contract Renewal for the 2025 Asphalt Overlay Program
- Schedule F – Contract Increase for implementation of a replacement Financial Management System
- Schedule G – Contract Renewal for Council Meeting Management Software System (eScribe)

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Summary of Changes in Capital Project Budgets and Funding

Schedule	B	B	C	E	Total Change in Funding Sources Increase / (Decrease)
Project Number	C58214824	C58410524	C39013124	C33900124	
Project Description	Milton Sports Centre Facility Improvements	Civic Operations Centre Facility Improvements	Kelso Road Bridge (Structure 74)	ASPHALT OVERLAY PROGRAM - DESIGN	
Total Approved Project Budget	\$ 3,266,432	\$ 384,740	\$ 2,538,372	\$ 662,826	
Recommended Budget Change					
Project Variance Account	(305,195)	(104,397)	(85,652)	(97,042)	(592,286)
Development Charges:					
Roads DC				(10,782)	(10,782)
External Funding Sources:					
Tax Supported Debt			(600,000)		(600,000)
Total Increase/(Decrease) in Funding	(305,195)	(104,397)	(685,652)	(107,824)	\$ (1,203,068)
Total Revised Project Budget	\$ 2,961,237	\$ 280,343	\$ 1,852,720	\$ 555,002	

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
TENDER AWARD**

Project Award	Tender Award No. 24-01-00505 – Milton Sports Centre, Operations Centre and Fire Station 4 – Roof Repairs and Replacement
Recommendation	Staff is recommending that the Tender for Milton Sports Centre, Operations Centre and Fire Station 4 – Roof Repairs and Replacement be awarded to Bothwell-Accurate Co. Inc. in the total amount of \$1,936,165 (exclusive of HST) being the lowest compliant bid received.
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for tender awards over \$1,000,000.
Background information	<p>This capital project is for roof repairs and replacement at Milton Sports Centre, Milton Operations Centre and Fire Station 4. The improvements are based on a roof condition assessment that identified priority areas for replacement and corrective maintenance.</p> <p>Staff issued a Request for Prequalification to prequalify Contractors for the roof repairs and replacement Tender. Seven (7) Contractors were prequalified and eligible to bid on the Tender document. As a requirement of the Request for Prequalification document, all prequalified Contractors are COR™ Certified.</p>

Purchasing Section: Bid Award Information

Date bid issued	March 26, 2024														
Advertisements	Town of Milton website and Bids & Tenders website														
Closing Date	April 19, 2024														
# of Plan takers	Seven (7)														
List of bid submissions inclusive of HST	<table> <tr> <td>Bothwell-Accurate Co. Inc.</td> <td>\$ 2,187,866.45</td> </tr> <tr> <td>Atlas-Apex Roofing Inc.</td> <td>\$ 2,250,148.66</td> </tr> <tr> <td>Cordeiro Roofing Ltd.</td> <td>\$ 2,435,037.00</td> </tr> <tr> <td>Semple Gooder Roofing Corporation</td> <td>\$ 2,520,923.78</td> </tr> <tr> <td>King Koating Roofing Inc.</td> <td>\$ 2,533,573.00</td> </tr> <tr> <td>Trio Roofing Systems Inc.</td> <td>\$ 2,544,421.00</td> </tr> <tr> <td>Flynn Canada Ltd.</td> <td>\$ 2,596,262.01</td> </tr> </table>	Bothwell-Accurate Co. Inc.	\$ 2,187,866.45	Atlas-Apex Roofing Inc.	\$ 2,250,148.66	Cordeiro Roofing Ltd.	\$ 2,435,037.00	Semple Gooder Roofing Corporation	\$ 2,520,923.78	King Koating Roofing Inc.	\$ 2,533,573.00	Trio Roofing Systems Inc.	\$ 2,544,421.00	Flynn Canada Ltd.	\$ 2,596,262.01
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Trio Roofing Systems Inc.	\$ 2,544,421.00														
Flynn Canada Ltd.	\$ 2,596,262.01														
Median bid value	The average bid received was \$2,438,318.84. The bid submitted by Bothwell-Accurate Co. Inc. is approximately 11% less than the average bid.														

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C58214824-A1634-7535	C58410524-A0611-7535	C58711424-A0410-7535
Account Description	Milton Sports Centre Facility	Civic Operations Centre Facility	Fire Halls Facility Improvements

			Schedule B
Project Total Budget	Improvements \$3,266,432	Improvements \$384,740	\$352,837
Contract Budget	\$2,065,500	\$244,327	\$38,872
Actual (Note 1)	\$1,760,305	\$139,930	\$39,025
Variance (Note 2)	\$305,195 (F)	\$104,397 (F)	\$153 (U)
Funding Source	Project Variance Account	Project Variance Account	Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST for Civic Operations Centre Facility Improvements (C58410524) and Fire Halls Facility Improvements (C58711424). Milton Sports Centre Facility Improvements (C58214824) is eligible for input tax credits, therefore costs do not include HST.

Note 2: Unfavourable variance of \$153 in Fire Halls Facility Improvements can be managed by a reallocation of variance within the project.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
TENDER AWARD**

Project Award	Tender Award No. 24-01-00507 – Rehabilitation of Structure 74 - Kelso Road Bridge														
Recommendation	Staff is recommending that the tender for the Rehabilitation of Structure 74 - Kelso Road Bridge be awarded to Bronte Construction Inc. in the total amount of \$1,195,807 (exclusive of HST) being the lowest compliant bid received.														
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for tender awards over \$1,000,000.														
Background information	<p>This capital project is for the rehabilitation of the Kelso Road Bridge (structure 74). This bridge was identified in the 2019 Bridge needs study for rehabilitation. Structure 74 was originally anticipated to be rehabilitated as part of the 2020 Bridge rehabilitation. During the detailed design works, an additional bridge condition survey was recommended and conducted. Results of the additional bridge investigations recommended full removal and replacement of the concrete bridge deck. As such, Kelso Road bridge was removed from the rehabilitation program and budgeted and approved as a separate capital project.</p> <p>Rehabilitation will consist of removal and replacement of the bridge concrete deck, new concrete approach slabs, new asphalt wearing surface, removal and replacement of the parapet walls, concrete patch repairs and associated grading and landscaping.</p>														
Purchasing Section: Bid Award Information															
Date bid issued	March 6, 2024														
Advertisements	Town of Milton website and Bids & Tenders website														
Closing Date	April 3, 2024														
# of Plan takers	Fifteen (15)														
List of bid submissions inclusive of HST	<table> <tr> <td>Bronte Construction Inc.</td> <td>\$ 1,351,261.91</td> </tr> <tr> <td>Rankin Construction Inc.</td> <td>\$ 1,506,569.11</td> </tr> <tr> <td>Marbridge Construction Inc.</td> <td>\$ 1,528,890.00</td> </tr> <tr> <td>PERFORMCrete Inc.</td> <td>\$ 1,581,812.99</td> </tr> <tr> <td>Graham Bros. Construction Ltd.</td> <td>\$ 1,798,591.19</td> </tr> <tr> <td>Soncin Construction</td> <td>\$ 2,035,731.71</td> </tr> <tr> <td>Amico Infrastructure Inc.</td> <td>\$ 2,536,723.44</td> </tr> </table>	Bronte Construction Inc.	\$ 1,351,261.91	Rankin Construction Inc.	\$ 1,506,569.11	Marbridge Construction Inc.	\$ 1,528,890.00	PERFORMCrete Inc.	\$ 1,581,812.99	Graham Bros. Construction Ltd.	\$ 1,798,591.19	Soncin Construction	\$ 2,035,731.71	Amico Infrastructure Inc.	\$ 2,536,723.44
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Soncin Construction	\$ 2,035,731.71														
Amico Infrastructure Inc.	\$ 2,536,723.44														
Median bid value	The average bid received was \$1,762,797.19. The bid submitted by Bronte Construction Inc. is approximately 26% less than the average bid.														
COR™ Requirement	On Council Report CORS-013-18, the Town adopted the Certificate of Recognition (COR™) program as a requirement for projects valued over \$500,000. As such, only Bid submissions from Bidders that were COR™ Certified were accepted for this Tender request.														

	All seven (7) bid submissions received were from COR™ Certified companies.
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Financial Planning Section: Budget Impact (Note 1)	
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Account Number(s)	C39013124-A0613-7665
Account Description	Kelso Road Bridge (Structure 74)
Project Total Budget	\$2,538,372
Contract Budget	\$ 1,902,505
Actual (Net of HST Rebate)	\$ 1,216,853
Variance	\$ 685,652 (F)
Funding Source	Project Variance Account / Tax Supported Debt

Note 1: Financial impact includes any non-refundable portion of HST

COUNCIL AUTHORITY FOR CONTRACT AWARDS RENEWAL

Project Award	Contract Renewal – Request for Proposal 22-051-09 – Consulting Services for the 2025 Expanded Asphalt Program										
Recommendation	<p>Staff are recommending the contract renewal to CIMA Canada Inc. for the Design of the 2025 Expanded Asphalt Program in the total amount of \$254,464 (exclusive of HST).</p> <p>Staff are also requesting the delegated authority to proceed with the award of the contract administration of the 2025 Expanded Asphalt Program in the estimated amount of \$139,450 (exclusive of HST), pending Council approval of the 2025 budget.</p>										
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.										
Background information	<p>Through CORS-063-21, Council approved the award of CIMA Canada Inc. on the Professional Consulting Services Roster as per the terms of Request for Proposal (RFP) 21-051. Staff subsequently issued a competitive RFP 22-051-09 to the civil engineering roster consultant firms. CIMA Canada Inc. was the successful proponent and awarded the contract. The RFP was to award the 2023 Expanded Asphalt Program (CORS-040-22), with the option to renew the contract for the 2024 program (CORS-024-23) and the 2025 program. Staff are now exercising renewal option for the 2025 Expanded Asphalt Program.</p> <p>The contract award is for the detailed design of the 2025 Expanded Asphalt Program, to be completed in 2024 and for the delegated authority to award the contract administration, to be completed in 2025, pending Council approval of the budget. CIMA Canada Inc. submitted a proposal in April 2024 outlining the project schedule and design and contract administration of the 2025 Expanded Asphalt Program.</p> <table data-bbox="618 1436 1503 1507"> <tr> <td colspan="2"><u>Award for Design (exclusive of HST)</u></td> </tr> <tr> <td>Phase 1 – Design</td> <td style="text-align: right;">\$254,464</td> </tr> </table> <table data-bbox="618 1549 1503 1654"> <tr> <td colspan="2"><u>Estimate for Contract Administration (exclusive of HST)</u></td> </tr> <tr> <td>Phase 2 – Contract Administration</td> <td></td> </tr> <tr> <td>Including material testing and inspection</td> <td style="text-align: right;">\$139,450</td> </tr> </table> <p>Staff have satisfied themselves that the rates used are consistent with previous rates charged under this contract and further, are consistent with those in the initial request for proposal.</p> <p>It is recognized that the estimate for contract administration, inspection and material testing will be revisited upon completion of</p>	<u>Award for Design (exclusive of HST)</u>		Phase 1 – Design	\$254,464	<u>Estimate for Contract Administration (exclusive of HST)</u>		Phase 2 – Contract Administration		Including material testing and inspection	\$139,450
<u>Award for Design (exclusive of HST)</u>											
Phase 1 – Design	\$254,464										
<u>Estimate for Contract Administration (exclusive of HST)</u>											
Phase 2 – Contract Administration											
Including material testing and inspection	\$139,450										

Schedule D

the detailed design, at which time the consultant will inform the Town if the estimated contract administration fee included in their initial proposal is appropriate or if an updated work plan and fee estimate is required.

Based on the above, the contract administration will be awarded through an internal staff award report in 2025.

The following road segments are to be included in the 2025 Expanded Asphalt Program:

- Section 1 Kelso Road Park entrance to RR22 -Tremaine Road
- Section 2 No 15 Side Road RR1 –Guelph Line to Fourth Line Nassagaweya
- Section 3 Sixth Line: 1.8 KM North of Lower Base to RR6-Britania Rd

Final determination of the program is subject to the results of the investigations, studies and coordination with external agencies In the Spring and Summer of 2024. Terms and conditions of RFP 22-051-09 Design and Contract Administration are applicable to this assignment including with revised version of the terms of references dated March 21, 2024.

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C35013324-A0611-7220
Account Description	Expanded Asphalt Program - Design
Project Total Budget	\$366,746
Contract Budget	\$270,064
Actual <small>(Net of HST Rebate)</small>	\$258,943
Variance <small>(Note 2)</small>	\$ 11,121 (F)
Funding Source	Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: Staff recommended that the favourable variance remain in the project to provide for additional requirements, investigations and/or coordination efforts associated with external agencies.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT RENEWAL**

Project Award	Contract Renewal – Request for Proposal 22-051-07 – Consulting Services for the 2025 Asphalt Overlay Program								
Recommendation	<p>Staff is recommending the contract renewal to WSP Canada Inc. for the Design of the 2025 Asphalt Overlay Program in the total amount of \$371,621 (exclusive of HST).</p> <p>Staff are also requesting the delegated authority to proceed with the award of the contract administration of the 2025 Asphalt Overlay Program in the estimated amount of \$490,258 (exclusive of HST) through an internal staff award report, pending Council approval of the 2025 budget.</p>								
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.								
Background information	<p>Through CORS-063-21, Council approved the award of WSP Canada Inc. on the Professional Consulting Services Roster as per the terms of Request for Proposal (RFP) 21-051. Staff subsequently issued a competitive RFP 22-051-07 to the civil engineering roster consultant firms. Wood Canada Limited was the successful proponent and awarded the contract for the 2023 program (CORS-034-22). Since the original award, Wood Canada Limited transitioned to WSP E&I Canada Limited and the contract was renewed for the 2024 program (CORS-024-23). As Staff are now exercising the final renewal option for the 2025 program, WSP E&I Canada Limited has transitioned to fully operating as WSP Canada Inc.</p> <p>The contract award is for the detailed design of the 2025 Asphalt Overlay Program, to be completed in 2024 and for the delegated authority to award the contract administration, to be completed in 2025, pending Council approval of the budget. WSP E&I Canada Limited submitted a proposal in April 2024 outlining the project schedule and detailed design and contract administration of the 2025 Asphalt Overlay Program.</p> <p><u>Award for Design (exclusive of HST)</u></p> <table border="0"> <tr> <td>Phase 1 – Design Section 1</td> <td align="right">\$284,792</td> </tr> <tr> <td>Phase 1 – Design Section 2 – Provisional</td> <td align="right"><u>\$86,829</u></td> </tr> <tr> <td>Total Design Section 1 and 2</td> <td align="right">\$371,621</td> </tr> </table> <p><u>Estimate for Contract Administration (exclusive of HST)</u></p> <table border="0"> <tr> <td>Phase 2 – Contract Administration Including material testing an inspection.</td> <td align="right">\$490,258</td> </tr> </table> <p>Staff have satisfied themselves that the rates used are consistent with previous rates charged under this contract and further, are consistent with those in the initial request for proposal.</p>	Phase 1 – Design Section 1	\$284,792	Phase 1 – Design Section 2 – Provisional	<u>\$86,829</u>	Total Design Section 1 and 2	\$371,621	Phase 2 – Contract Administration Including material testing an inspection.	\$490,258
Phase 1 – Design Section 1	\$284,792								
Phase 1 – Design Section 2 – Provisional	<u>\$86,829</u>								
Total Design Section 1 and 2	\$371,621								
Phase 2 – Contract Administration Including material testing an inspection.	\$490,258								

Schedule E

It is recognized that the estimate for contract administration, inspection and material testing will be revisited upon completion of the detailed design, at which time the consultant will inform the Town if the estimated consulting services fee included in their initial proposal is appropriate or if an updated work plan and fee estimate is required. Based on the above, the contract administration will be awarded through an internal staff award report in 2025.

Phase 1 Section 2 Provisional is only to be used if required. Considering that not all roads that are preliminarily identified as potential candidates for Asphalt Overlay are necessarily suitable for this treatment, the feasibility and determination of the final program will be based on the results of the visual road assessment, Geotechnical and CCTV investigations and coordination with external agencies. As such, there is a possibility that road segments may have to be deferred or eliminated in which case other roads may be considered and a further assessment will have to be completed.

Financial Planning Section: Budget Impact (Note 1)

Base Bid Award:

Account Number(s)	C33900124-A0611-7220
Account Description	Asphalt Overlay Program -Design
Project Total Budget	\$662,826
Contract Budget	\$515,986
Actual (Net of HST Rebate)	\$289,804
Variance	\$226,182(F)
Funding Source	Project Variance Account/Development Charges

Provisional Items Award:

Account Number(s)	C33900124-A0611-7220
Account Description	Asphalt Overlay Program -Design
Project Total Budget	\$662,826
Contract Budget	\$226,182
Actual (Net of HST Rebate)	\$88,357
Variance (Note 2)	\$137,824(F)
Funding Source	Project Variance Account/Development Charges

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: Staff is requesting that \$30,000 of the favorable variance remain in the project to accommodate further investigations if required subject to the project's overall results of studies.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT INCREASE**

Project Award	Contract Increase – Financial Management System
Recommendation	<p>Staff is recommending approval to proceed with a contract increase of \$1,289,252 (exclusive of HST) to Workday Ltd. for the implementation of a replacement Financial Management System;</p> <p>AND THAT delegated authority be provided for staff to proceed with change orders (if required) up to an aggregate value of 35% of the contract increase value, in order provide for contingency costs and training requirements that may arise during implementation;</p> <p>AND THAT the original seven (7) year contract term (5 year plus 2 year renewal period) as established in CORS-029-21 with Workday Ltd. for and HRIS system be extended by one (1) additional year to align with the contract end date of the Financial Management System;</p> <p>AND THAT a revised annual maintenance contract be awarded for a period of six (6) years to Workday Ltd. (inclusive of the previously awarded modules as well as the newly awarded Financial Management System) at the annual amounts outlined in the table below, in the total amount of \$2,918,426 (excluding taxes).</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Established through CORS-001-21 and subsequently awarded via competitive process through CORS-029-21, the Town successfully implemented Workday as its Human Resource Information System (HRIS). In late 2023 and into early 2024, the Town successfully implemented and launched phase 2 of its HRIS initiative (Advanced Compensation, Recruitment, Scheduling) as approved by PDA-067-23 and reported back via CORS-060-23.</p> <p>In July 2023, Council received an update on the Town's Financial Management System (FMS) via CORS-037-23 which authorized staff to negotiate on a single source basis the award for the implementation and annual licensing of a replacement FMS to Workday Ltd. The implementation of a replacement FMS will encompass key functionalities the Town requires for ongoing day-to-day processes and is a pivotal component to the financial management operations of the organization:</p>

Schedule F

- Financials (general ledger, accounts payable, accounts receivable, budgeting);
- Projects (job costing, subcontract management, project management)
- Assets (purchase order, inventory, equipment costing)

Implementation of an updated FMS has been previously identified as a planned activity under the Innovate in Technology and Process strategic theme of the 2023-2027 Corporate Work Plan. Through the second half of 2023 and into 2024, Town staff worked diligently with the vendor to detail out core functionality required for the successful implementation of a new FMS, including product modules/sku's required within the software platform and a timeline for implementation (presently anticipated as a January 2026 launch for the initial modules).

Capital project C24110422 was previously increased to \$1,414,976 to accommodate this implementation via CORS-037-23. Additionally, through the 2024 capital budget process, a funding request in the amount of \$4,126,294 was approved for the project team resources and professional services needed for this implementation.

The Town's current contract with Workday Ltd. runs through to October 2026 with staff having previously being given the delegated authority via CORS-029-21 to extend an additional two (2) years to the end of 2028. The previously approved annual contract amounts and signed subscription agreements would see the Town paying annual invoices of \$320,762 in 2024 (with inflationary increases thereafter as well as adjustments for any changes in the Town's license requirements). The Town is seeking approval to extend this original agreement an additional one (1) year, through to the end of 2029. This would allow for the Town's overall license needs to be aligned (HRIS and FMS). With the execution of an updated agreement to include the required financial management functionalities as outlined above, the revised annual subscription amounts, inclusive of all modules/functionalities in use within Workday, will be as follows:

2024	\$322,722
2025	\$498,787
2026	\$508,762
2027	\$518,937
2028	\$529,316
2029	\$539,902
Total	\$2,918,426

Schedule F

	<p>In an effort to improve efficiency with invoice reconciliation and annual budget processes, this updated agreement will move the Town to calendar year invoicing. Additionally, the Town is re-aligning and co-terminating its Workday subscription to a single renewal and invoice date moving forward. Upon approval and subsequent execution of this revised agreement, the Town would be invoiced and receive a pro-rated credit back for any existing subscription fees already paid for 2024 (estimated \$129,694).</p> <p>The total fees identified in this report for both the one-time implementation costs as well as the annual subscription costs represent upset limit pricing based on the present scope of work and required modules. Town staff continue to work with the vendor to scope the implementation and ensure core functionality required for day-to-day processes is sufficiently identified and built into the overall implementation plan. Actual one-time and subscription costing may come in lower than what has been identified in this report. Any additional incremental changes to ongoing operational costs over the term of the five-year contract (<i>as a result of staff/licensing growth</i>) will be reviewed and submitted as part of annual operating budgeting exercises.</p> <p>The launch of the FMS modules outlined above will occur in phases. Staff will revisit existing workplans and establish updated timelines for the phases of the Workday platform as previously budgeted for in the 2023 capital budget and outlined on the 2023-2027 Corporate Work Plan.</p>
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Financial Planning Section: Budget Impact – Capital (Note 1)	
Account Number(s)	C24110422 / C24110424
Account Description	Financial Enterprise Systems
Project Total Budget	\$ 5,541,270
Contract Budget	\$ 2,719,889
Actual (Net of HST Rebate)	\$ 1,311,943
Variance	\$ 1,407,946 (F) (Note 2)
Funding Source	Project Variance Account
Financial Planning Section: Budget Impact – Operating (Maintenance)	
Account Number(s)	2216-3445
Account Description	Information Technology - Software Annual Maintenance
Project Total Budget	N/A
Contract Budget	\$ 633,300 (Note 3)
Actual	\$ 508,762 (Note 3 & 4)
Funding Source	Operating Budget

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: The remaining balance for professional services remains available to provide a funding source for any licensing costs that will be capitalized (before the new modules are operational), for training requirements and to provide an adequate contingency during the implementation phase. Surplus funds that remain at the time of project finalization will be returned to the project variance account at that time.

Note 3: Contract budget represents the annual Workday HRIS and legacy FMS maintenance budget for calendar 2024. Contract actuals are an estimate only for 2026. Budget will be reviewed in future operating budget planning.

Note 4: During project implementation in 2024 and 2025, a portion of the subscription cost will be funded from existing capital project C24110424. In 2026, the full subscription cost will be funded from the operating budget as the legacy FMS is expected to be discontinued.

COUNCIL AUTHORITY FOR CONTRACT AWARDS RENEWAL

Project Award	Contract Renewal - Council Meeting Management Software System
Recommendation	Staff are recommending the contract renewal to eScribe Software Ltd. for the Council Meeting Management Software System in the total amount of \$166,175 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Through CORS-021-21, Council approved the award of a Council Meeting Management Software System to eScribe Software Ltd. The contract was awarded for a three year term, with the option to renew the contract for an additional term. Staff are now exercising the renewal option.</p> <p>Through CORS-060-23, Council approved \$27,100 under the Limited Tendering awards for 2024. This amount represents the contract value for the term May 1, 2024 to December 21, 2024.</p> <p>In an effort to improve efficiency with invoice reconciliation and budget processes, the contract term is now being aligned to the calendar year. Additional years are also being included in order to ensure continuity of service and secure pricing. The renewal term will be effective from May 1, 2024 to December 31, 2024 and from there forward will be from January 1 to December 31, for a period of three years, concluding December 31, 2027. The fees are due annually and will increase from the previous year's fees by six percent, which is consistent with similar increases experienced within the sector for this service.</p>
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	2216-3445
Account Description	Software Annual Maintenance
Project Total Budget	N/A
Contract Budget	\$ 27,100
Actual (Net of HST Rebate)	\$ 27,939
Variance (Note 2)	\$ 839 (U)
Funding Source	Operating Budget

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: The unfavourable variance will be managed within the overall IT Software Annual Maintenance budget and will be monitored through the operating variance process in 2024.