Date: 2023-08-16

Subject: **Request to Begin Procurement – Oracle Software Licenses and Maintenance**

Contact: Eric Pulnicki, Senior Manager, Information Technology

Report Number: Corporate Support Services-2023-715

Recommendations:

1. That the report from Eric Pulnicki, Senior Manager, Information Technology to the Committee of Council meeting of September 20, 2023, re: **Request to Begin Procurement – Oracle Software Licenses and Maintenance** be received; and

2. That the Purchasing Agent be authorized to begin procurement for the supply of Oracle Software Licenses and Maintenance for a Two (2) Year Period by leveraging the existing Ontario's Vendor of Record MGCS-Oracle-CA-OMA-2923876.

Overview:

- The purpose of this report is to describe how the Oracle solutions provide technology platforms for various Departments at the City to deliver their services.

- Request authorization to begin procurement of Oracle Software Licenses and Maintenance leveraging the Province of Ontario's Vendor of Record MGCS-Oracle-CA-OMA-2923876 – MGCS – Oracle Volume Software License (VLA) and Services Agreement for a Two (2) Year Period, with an option to renew for an additional Two (2) Year Period.

- The City's current contract with Oracle will expire on December 31, 2023.

- The benefits of using the Province's Vendor of Record arrangements include the reduction of procurement time and costs, access to pre-qualified vendors and cost savings through leveraging the Province volume-based buying power.

- The Oracle VLA facilitates the procurement of Oracle Commercial-Off-The-Shelf (COTS) software and related support services providing software

> licenses and related terms and conditions that are more favorable than Oracle's standard software license agreements and provides maximum discounts of Oracle's list price.

Background:

Oracle solutions are used by the City to provide licenses and services across 4 components covering enterprise applications, operating systems, database technologies and vendor support.

Oracle PeopleSoft

The City leverages PeopleSoft as the Enterprise Resource Planning (ERP) platform. City processes, practices and business rules have been defined and implemented to streamline service delivery and enable the City to meet both legislative and regulatory requirements. The City plans to continue to invest in this solution and consolidate other business processes and solutions to maximize the return on this investment.

Oracle Weblogic

The Oracle Weblogic platform is the foundational technology currently used by the Tax Revenue System (TXM). The City is required to license this solution as it is the platform for the solution that supports the collection of Brampton property tax, and is an essential component to the smooth delivery of this function.

Oracle Database

The City has standardized on, and leverages both Oracle Database and Microsoft SQL Database technologies. These are enterprise grade solutions that provide performance, scalability, manageability as well as real-time failover capabilities for continuity of service. The Oracle database platform is required to underpin PeopleSoft and is also leveraged to support many other Enterprise Solutions for the City including Archibus (Facilities), Hastus (Transit) and Amanda (Building, Enforcement & Fire).

Oracle Linux

The City has standardized on two primary operating systems to deliver the application landscape; Windows and Linux. Enterprises such as the City seek to purchase support for Linux through a vendor to assist in troubleshooting and resolving issues. Oracle Linux was chosen over alternatives such as RedHat Enterprise Linux (RHEL) as it streamlines the vendor support for the operating systems, databases and applications in the event there are performance or application issues. Additionally, Oracle support costs are typically less expensive and more flexible than RedHat.

Current Situation:

The existing Oracle contract expires on December 31st, 2023. The Information Technology Division within Corporate Support Services Department recommends a new contract be established with Oracle to provide continuity of services.
This report seeks authority to establish a contract with Oracle Canada ULC using the Province of Ontario's Vendor of Record MGCS-Oracle-CA-OMA-2923876 – MGCS-Oracle Volume Software License (VLA) and Services Agreement.

The Contract is to be established for a period of two (2) years with an option to renew for an additional period of two (2) years aligned with the Province's agreement.

The benefits of using the Province's Vendor of Record arrangements includes the reduction of procurement time and costs, access to pre-qualified vendors and cost savings, as the Province's volume-based buying power is significantly better than the City alone.

Corporate Implications:

Scope of the Project/Initiative:

The outcome of this procurement will provide the City with a Vendor of Record for Oracle Software and Maintenance. This will ensure the City has access to the required technology and services at the best price.

The scope of work for a new contract includes but is not limited to the Supply of Oracle software licenses, maintenance and support encompassing the following technologies:

- Oracle PeopleSoft Module Licenses, Maintenance and Support for the following implemented modules:
  - PeopleSoft – Human Resources
  - PeopleSoft – Payroll in North America
  - PeopleSoft – Candidate Gateway
  - PeopleSoft – eCompensation
  - PeopleSoft – eProfile
  - PeopleSoft – eBenefits
  - PeopleSoft – ePay
  - PeopleSoft – General Ledger
  - PeopleSoft – Accounts Receivable
  - PeopleSoft – Accounts Payable
  - PeopleSoft – Receivables
  - PeopleSoft – Payables
  - PeopleSoft – Asset Management
  - PeopleSoft – Project Costing
  - PeopleSoft – Purchasing
  - PeopleSoft – Micro Focus Server

- Oracle WebCenter Licenses, Maintenance and Support
    - WebLogic Server Management Pack Enterprise Edition
    - WebLogic Suite
- Oracle WebLogic Licenses, Maintenance and Support
- Oracle Databases Licenses, Maintenance and Support
    - Database Security – Advanced Security
    - Database Security – Data Masking Pack
    - Database Lifecycle Management Pack
    - Database Diagnostic Pack
    - Database Performance – Multitenant
    - Database Performance – Real Application Clusters
    - Database Performance – Tuning Pack
    - Oracle Database Enterprise Edition
- Oracle Linux Operating Systems Maintenance and Support

The City is seeking an estimated cost of $1,554,252 per year for an initial two (2) year term plus estimated $1,617,043 per year for additional optional two (2) year term. The actual amounts will vary based upon software lifecycle replacements, the timing of new modules coming online, and the work plan as budgeted each year. The total will not exceed the combined estimates.

Purchasing Comments:

The Province of Ontario entered into a non-competitive volume software licenses and service agreement (MGCS-ORACLE-CA-OMA-2923876) (VLA) with Oracle Canada ULC (Oracle VLA) to facilitate the procurement of Oracle Commercial-Off-The-Shelf (COTS) software and related support services in certain circumstances. Municipalities, as Non-Ontario Public Sector Entities have been granted access to utilize this VOR arrangement.

Purchase approval to establish a Contract shall be obtained in accordance with the Purchasing By-law.

Financial Implications:

Funding for current Oracle Software Licenses and Maintenance is available in the 2023 Operating Budget. Staff will ensure that sufficient funding is requested in future year budget submissions for the duration of the contract, subject to Council approval.

Strategic Focus Area:

This report aligns with 2022-2023 Term of Council Priority of Government and Leadership.

This technology specifically supports the following objectives:

- Demonstrates value for money and practicing effective and responsible management of municipal assets and services.
- Continuous improvement for operational workflow automation eliminating manual work.

Conclusion:

This report summarizes the scope of the project, identifies, funding, and provides a tentative schedule with procurement methodology to acquire Oracle Software Licenses and Maintenance. It is recommended that Council authorize the Purchasing Agent to commence procurement as described in this report.

Authored by: Reviewed by:

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