

# HALIFAX

P.O. Box 1749  
Halifax, Nova Scotia  
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**Item No. 14.1.5**  
**Halifax Regional Council**  
**July 19, 2016**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed by   
\_\_\_\_\_  
John Traves, Q.C. Acting Chief Administrative Officer

Original Signed by   
\_\_\_\_\_  
Jane Fraser, Acting Deputy Chief Administrative Officer

**DATE:** June 23, 2016

**SUBJECT:** Reinstatement of Contract, Oracle Database

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## **ORIGIN**

Annual renewal of enterprise license for Oracle software.

## **LEGISLATIVE AUTHORITY**

In accordance with Administrative Order #35, The Procurement Policy, Section 9 (4) states that the CAO may approve the award of contracts where the award conforms to the Procurement Policy and does not exceed \$50,000 for sole/single source, \$500,000 for RFQ's, tenders and RFP's, where the funds and programs have been approved by Regional Council as part of the annual business planning and budget process, and the expenditure will not result in an over-expenditure of the entire budget.

This report conforms to the above Policy.

## **RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Approve a one year renewal of the enterprise license agreement for Oracle Enterprise Software with Oracle Canada ULC, for a total of cost of \$129,632 (net HST included) with funding from Operating Account A732 as outlined in the Financial Implications section of this report.
2. Direct the Chief Administrative Officer to execute the Oracle License Agreement/Sales Order with Oracle Canada ULC per the Financial Implications section of this report and subject to legal approval of the contract, to form and authority.

**RECOMMENDATION CONTINUED PAGE 2**

3. Delegate the authority to approve and execute further extensions, additions, renewals and reinstatements of the Oracle License Agreement to the Chief Administrative Officer or their delegate for the life of the solution subject to budget availability and legal approval of the contract to form and authority.

## **BACKGROUND**

For 20+ years, Oracle databases have been used to support many business applications within HRM and HRWC. Over time the Oracle databases have been upgraded or new installs added as required from version 7, to the current version 12. The following is a list of some of the key corporate and business applications in which an Oracle database supports the backend storage of data for the application:

- Hansen – Revenue and Permitting system
- CLASS – Recreation registration system
- GIS – All GIS mapping applications for HRM and well as HRWC
- Fleet Focus – Fleet asset management system
- RIVA – Asset Management System
- Trapeze – Metro Transit Access a Bus scheduling
- HASTUS – Metro Transit Scheduling system
- Digital Mug Shot System - HRP
- Numerous custom web applications

The Oracle license and support provides to HRM access to Oracle product upgrades, new software releases, patches and bug fixes. It also allows HRM to initiate problem tickets to Oracle for assistance required to resolve break/fix incidents.

## **DISCUSSION**

Oracle services are the sole intellectual property of the Oracle Corporation. The existing Oracle database was purchased prior to amalgamation and was upgraded from commercial consumer to enterprise on October 9, 2001 as approved by Halifax Regional Council. The current service has continued uninterrupted since that time.

Oracle requires that an enterprise license agreement be executed on an annual basis.

## **FINANCIAL IMPLICATIONS**

Based on Oracle's cost of \$124,304 plus net HST of \$5,328 for a total cost of \$129,632, funding is available from ICT 2016-17 Operating Account A732-6204. Budget availability has been confirmed by Finance.

**RISK CONSIDERATION**

<b>Recommendation:</b>				
Risk	Likelihood (1-5)	Impact (1-5)	Risk Level (L/M/H/VH)	Mitigation
None Identified.				

<b>Alternative 1: Not approve the renewal of the enterprise license...</b>				
Risk	Likelihood (1-5)	Impact (1-5)	Risk Level (L/M/H/VH)	Mitigation
Re-platforming project to move to SQL database project is under estimated at 2 years and multiple contract resources.	2	3	M	Obtain additional funding and resources to continue project past 2 years.
Some Business Applications do not work with alternate product (SQL).	4	5	VH	Go to RFP to procure alternate solutions and implement multiyear projects
Oracle is out of compliance with licensing for duration of re-platforming project. We are fined for misuse of product.	5	5	VH	Obtain permission to execute a temporary contract.
Oracle support does not exist for duration of re-platforming project. Systems are at risk of not having experts available to resolve issues.	5	5	VH	Purchase 3 <sup>rd</sup> party support via tender to bridge the gap in support.

<b>Alternative 2: Not delegate authority for future extensions to CAO...</b>				
Risk	Likelihood (1-5)	Impact (1-5)	Risk Level (L/M/H/VH)	Mitigation
Staff will be required to request annual approvals from Council.	5	1	M	Staff and Council time must be utilized to execute annual contracts.

**ENVIRONMENTAL IMPLICATIONS**

None

**ALTERNATIVES**

1. Council could choose not to approve the renewal of the enterprise license. This is not recommended as it would necessitate the procurement and implementation of alternative database engines. . There are HRM applications that are only compatible with Oracle databases and simply will not work with others. Further, a database re-platforming initiative would be a significant project that is estimated to be at least two years in duration and would require contract resources to execute.
2. Council could choose not to delegate the authority for future extensions to the CAO or their delegate. This could result in an annual request for approval to Council for this ongoing operational requirement.

**ATTACHMENTS**

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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