

AGENDA

SPECIAL MEETING OF THE PARKS AND RECREATION COMMISSION
BOWEN COMPLEX CONFERENCE ROOM, 500 BOWEN ROAD
TUESDAY, 2015-MAR-31, COMMENCING AT 3:00 P.M.

1. **STAFF TO CALL THE SPECIAL MEETING OF THE PARKS AND RECREATION COMMISSION TO ORDER:**
2. **SELECTION OF ACTING CHAIR FOR THE 2015-MAR-31 MEETING BY COMMISSION MOTION OR DECLARATION.**
3. **ADOPTION OF AGENDA:** *(Motion required to adopt the agenda.)*
4. **STAFF REPORT & PRESENTATION:**

(a) **Parks and Recreation Management Software Replacement.**

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Purpose: To obtain Commission recommendation for Council approval of the process related to the replacement of the Parks and Recreation Management Software.

Staff Recommendation: That the Parks and Recreation Commission approve and recommend that Council approve that the City of Nanaimo work with the Corporation of Delta in issuing a multi-city RFP for the replacement of the Parks and Recreation Management Software.

(Motion required to adopt recommendation.)

5. **QUESTION PERIOD:** *(Agenda Items Only.)*
6. **ADJOURNMENT:** *(Motion required to adjourn.)*

City of Nanaimo

**REPORT TO THE
PARKS AND RECREATION COMMISSION**

DATE OF MEETING: 2015-MAR-31

AUTHORED BY: ELIZABETH WILLIAMS, MANAGER, RECREATION SERVICES

RE: REPLACEMENT OF THE RECREATION MANAGEMENT SOFTWARE

STAFF RECOMMENDATION:

That the Parks and Recreation Commission approve and recommend that Council approve that the City of Nanaimo work with the Corporation of Delta in issuing a multi-city RFP for the replacement of the Parks and Recreation Management Software.

PURPOSE:

To obtain Commission recommendation for Council approval of the process related to the replacement of the Parks and Recreation Management Software.

BACKGROUND:

Parks and Recreation utilizes ACTIVE Network Class software to manage the point of sale, rental bookings, registration processes, internet registration and financial reporting. In 2014 more than 6.7 million dollars were processed through the Class software.

Class is a robust software system that many North American recreational organizations purchased over the past two decades. At the time there were few alternatives in the marketplace and Class software became a common application in many municipalities. The software is hosted on a server locally and is compatible with the municipality's financial transaction system (Moneris).

ACTIVE Network has served notice that it will no longer support the Class software product after 2017, making it necessary to replace the current Class software.

DISCUSSION:

ACTIVE Network's market share in its Class software is significant. All communities currently using Class are faced with the decision to either maintain the existing system unsupported or migrate to a Recreation Management Software program (e.g. ActiveNet).

Maintaining the existing system, unfortunately, will not be an option as the unsupported system would not meet Payment Card Industry (PCI) compliance. Without compliance we would be unable to accept credit or debit card payments.

Migrating to a new Recreation Management Software will require a Request for Proposals (RFP) process as the tender will exceed the City's purchasing threshold of \$25,000. Nanaimo can pursue an independent RFP or pursue a unique multi-city RFP opportunity.

Staff has been working with its counterparts in other municipalities and has identified an opportunity to work together in developing requirements for the replacement system and to procure a product that will meet those requirements. Working together, staff believe there is a greater opportunity to have an enhanced response in terms of product, price and service than if each municipality goes to the marketplace on its own.

The Corporation of Delta staff has developed a MOU (attached) that outlines a procedure for developing the product requirements utilizing an independent facilitator and a procurement process. The facilitator cost will be shared jointly amongst the participants. The MOU provides flexibility to each participant that does not require all or any participants to be bound by the results of the procurement submissions. Signatories to the MOU will only be committed to their share of the facilitator and will be free to make a choice on the procurement submissions.

The collaborative approach to the requirements and procurement submissions outlined in the MOU will take approximately 18 months to complete. Once the results of the process are known, a further report on procurement for Council's consideration will follow.

There are financial implications that are inherent in this collaborative approach. Each community will be responsible for their share of the cost of the facilitator and travel to the lower mainland. The City of Nanaimo portion will be \$3,300.00, plus staff travel costs.

STRATEGIC PLAN CONSIDERATIONS:

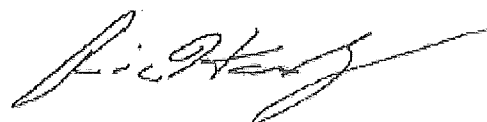
Asset Management is an integrated approach involving planning, finance, engineering and operations to effectively manage existing and new assets. The intent is to maximize benefits, reduce risks and provide satisfactory levels of service to the community in a sustainable manner.

Respectfully submitted,

Concurrence by:



Elizabeth Williams
MANAGER, RECREATION SERVICES
PARKS, RECREATION AND ENVIRONMENT



Richard Harding
DIRECTOR
PARKS, RECREATION AND ENVIRONMENT

Attachment - MOU

2015-MAR-30

File: A2-4 / A3-13 / A3-45

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MEMORANDUM OF UNDERSTANDING

For Municipal Collaboration to Develop Requirements and Procure New Parks and Recreation Management Software

Dated for reference as of the ____ day of _____, 2015

BETWEEN:

THE CORPORATION OF DELTA,
a Municipal Corporation having offices at
4500 Clarence Taylor Crescent
Delta, BC V4K 3E2

("Delta")

AND:

(LOCAL GOVERNMENT)

a Municipal Organization having offices at

PREAMBLE:

A majority of municipalities in Canada, as well as many in the United States, use the ACTIVE Network Class software for recreation management, including bookings, membership, point of sale, and activity scheduling. ACTIVE Network has given notice to municipalities that it will discontinue support for Class in December 2017. A number of companies, including ACTIVE Network provide parks and recreation management software with similar functionality to Class, and several others are pursuing development of competitive products.

General Terms

1. Definitions

- a) Cloud-based Solution: cloud software or "Software as a Service (SaaS)" does not run on the client premises, but rather is accessed over the Internet from a vendor location. The vendor is responsible for all necessary computing hardware required, performing upgrades, backups and managing the

software. Pricing is often transactional or monthly and no capital investment is required (i.e., no licensing or software purchase is needed).

- b) Self-hosted Solution: self-hosted software requires the client to purchase all required software, licensing, and hardware necessary to operate the software from their own premises. This model typically includes a capital outlay for software and hardware, as well as ongoing yearly maintenance costs. The client is also responsible for upgrades, backup and management of the software.
- c) System Requirements: requirements that relate to the necessary conditions needed to operate the software, i.e. hardware, cloud, security, response time, etc.
- d) Functional Requirements: requirements that describe how the software needs to operate, i.e. point of sale, bookings, programs, etc.
- e) Founding Group: the founding group comprises local governments that sign this MOU and work collaboratively to create functional/system requirements and a procurement strategy for the replacement of Class. Founding group members must be BC local governments.
- f) Champion: an executive or senior manager from each founding group municipality. Champions require authority to represent the municipality within this initiative and are responsible for assigning relevant subject matter experts (i.e. parks, recreation and IT staff) to collaboration chapters.

2. Purpose

This agreement outlines the terms of partnership between municipalities to support collaboration for the purpose of replacing the Class software product. Collaboration is intended to produce functional and system requirements that will be used in a competitive procurement process (request for proposal) in order to reduce cost, leverage value and ensure software quality. Collaborating on new parks and recreation management software will produce robust requirements that address needs today and into the future, as well as create a larger "client" with greater ability for volume discount and effective post-implementation vendor support.

The intention of the procurement process is to select a vendor to provide parks and recreation management software under a single model for terms, conditions and pricing that reflects the collaborative requirements and cumulative volume of the participating municipalities. Two vendors may be required if both cloud-based and self-hosted software solutions are needed. Vendor(s) will also be required to provide implementation pricing for all participating municipalities.

Participating municipalities will need to contract separately with the selected vendor under the single terms, conditions and pricing model developed by the procurement process.

3. Governance

A founding group of up to 15 municipalities will develop system and functional requirements, as well as manage the overall procurement process, including determination of successful vendor(s). Following an initial phase to establish requirements, additional municipalities can be admitted to the second phase of the project, the procurement process. Additions will not be able to change the requirements package, but will have the opportunity to benefit from the volume driven pricing discount and a robust set of requirements. Municipal champions will develop procurement strategies for parks and recreation management software products considered. Champions will lead the collaboration, and the Corporation of Delta will provide coordination services.

Decision making will be based on the consensus model with voting used only as a failsafe when facilitated sessions are unable to achieve consensus. Both functional and system requirements will be broken into chapters and developed separately through collaboration among founding group subject matter experts. Independent professional facilitation will be used during requirements creation and evaluation strategy development.

Initial meetings for requirements (functional and system) as well as procurement will take place in-person in the greater Vancouver area. To the extent possible, all other meetings will be conducted virtually by means of WebEx or GoToMeeting technologies.

4. Partners

The founding group includes the following municipalities:

- The Corporation of Delta
- A minimum of nine (9) additional local governments

This collaborative initiative will not proceed under the terms of this MOU if fewer than nine (9) local governments join the founding group. A minimum founding group size of 10 is required to maintain facilitation costs at a maximum of \$3,300 per local government.

The work product (requirements and strategy) of the founding group will be jointly shared among members. Any members leaving the initiative will have full access to and use of the work product.

5. Adding and Removing Partners

Founding group members will be finalized in April 2015 through this form of MOU, thereby permitting time to provide information to (or gain consent from) their senior management and/or Council. Additional members can join the initiative before the request for proposal is issued.

Members can leave the initiative prior to the request for proposal or contract award phases. No refund of expenses related to the initiative will be provided.

6. Roles and Responsibilities

Delta will retain a facilitator on behalf of the founding group and provide general administrative and purchasing coordination for the project.

Participating municipalities must secure funding for implementation of the chosen parks and recreation management software system(s) by 2016.

Founding group municipalities will:

- a) Provide one champion who can speak for the municipality and ensure that the appropriate subject matter experts (those skilled in recreation management and IT systems) are retained for the project and participate in the relevant requirements discussions (chapters).
- b) Provide one or more subject matter experts from both the Parks/Recreation and IT areas.
- c) Provide information on their current recreation management system in order to allow vendors to include transition and implementation costs with their bids.
- d) Contribute a business analyst to the project for the purpose of recording functional and system requirements, as developed in the collaboration chapters. The business analysts will also write use-cases in order to clarify requirements functionality. Only two (2) to three (3) municipalities will be asked to provide a business analyst.
- e) Equally share the costs of a professional facilitator that are expected to total approximately \$33,000.
- f) Pay for any individual expenses related to the members' own travel.
- g) Contribute staff time (anticipated to be up to 20 days) for development of requirements and evaluation of bid responses. Municipalities contributing a business analyst should plan for a similar time commitment for this role. Approximately two (2) groups of meetings, one at onset of requirements collaboration and one during evaluation, will be conducted in person at a greater Vancouver premises. It is expected that each of the two groups of meetings will require approximately three (3) days each.

Municipalities added after establishment of requirements and evaluation strategy will:

- a) Provide information on their current recreation management system in order to allow vendors to include transition and implementation costs with their bids.
- b) Participate for up to five (5) days in the evaluation strategy, if requested by the founding group.

7. Procurement Model


Procurement will be undertaken through a request for proposal (RFP) process incorporating a "piggy-back" clause that will permit any British Columbia municipality to use the terms, conditions and costs set out in the winning bid.

8. Term

It is expected that the project will begin in 2015, run through the majority of the year, and position participants for implementation of new recreation management software starting early in 2016.

THE CORPORATION OF DELTA

On behalf of Parks Recreation and Culture)


Ken Kuntz, Director of Parks, Recreation & Culture)

On behalf of Information Services:)


Karl Preuss, Director of Finance)

LOCAL GOVERNMENT:

On behalf of Parks and Recreation:

On behalf of Information Services:

Recreation Management Software

Municipal Collaboration Procurement Flowchart

