

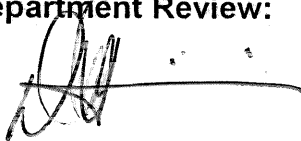
## Agenda Report

**Report Date:** April 4, 2001

**Meeting Date:** April 10, 2001

**Subject:** Evaluation of Banking Requirements

**Department Review:**



D. Wuksinic  
General Manager of Corporate Services

**Recommended for Agenda:**



J. L. (Jim) Rule  
Chief Administrative Officer

### Recommendation

That the City of Greater Sudbury accept the Royal Bank proposal for banking services for the City operations, Ontario Works and Greater Sudbury Housing Corporation as outlined in the attached report for a three-year term effective May 1, 2001, with an option to renew for a further two years, and that the necessary by-law be prepared.

20

## Executive Summary

The following banks responded to the Request for Proposals for banking services as amended on January 19, 2001 for the City of Greater Sudbury (the "City") and Greater Sudbury Utilities Inc. (the "Utility"):

- Royal Bank
- T D Bank
- CIBC
- Bank of Montreal

KPMG was requested to review the proposals, put forward recommendations, and prepare a report.

After evaluation, based on established criteria, it is recommended that the Royal Bank be contracted to provide banking services for the City, Ontario Works, and Greater Sudbury Housing Authority. Further it is recommended that the Royal Bank supply a cash only banking machine for a three-year term commencing May 1, 2001, with an option to renew for a further two years.

## Background

At the request of the Transition Board, a request for proposals (the "RFP") for banking services was issued for:

- City of Greater Sudbury ( the "City")
- The Greater Sudbury Utilities Inc. ( the "Utility")

Included in the RFP were certain mandatory requirements which included among others, the ability to provide banking services to Ontario Works as well as to provide a full service cash machine for Tom Davies Square. The inclusion of Ontario Works as a mandatory component of the initial RFP limited the respondents to the Royal Bank and CIBC as only these institutions are qualified by the Province for Ontario Works. As a result, the RFP was amended and re-issued to request Ontario Works as a separate component. In addition, the re-issued RFP required a separate costing for both a full-service banking machine and a cash only banking machine.

Revised bids were received on February 9, 2001. Upon review of the revised bids more detailed information was requested and due to time constraints KPMG was asked to assist in the evaluation process.

## EVALUATION

### CITY

Revised bids were received from the Royal Bank, CIBC and T-D Bank for the Utility and the City, and a confirmation of the initial bid was received from the Bank of Montreal for the Utility only. The Royal and CIBC provided estimates for Ontario Works, and fee estimates for both a full service cash machine and a cash counter bank machine.

The three bids for City banking operations were evaluated based upon predetermined criteria as follows:

#### Public Entity (Banking Experience)

- Bank
- Staff contact person
- Lead contact person
- Ease of transfer

#### Location

- Main branch
- Other branch locations
- Alternative service delivery

#### Additional services

- Rate of interest paid
- Borrowing rate of interest
- Close of day cut-off
- Other services

The evaluation showed that all three institutions were ranked within 3% of each other. Certain institutions scored better in some categories but lower in others with the overall results being relatively close. It should be noted that no one institution had branch locations which would accommodate all municipal Citizen Service Centre locations.

In addition, since no appreciable discount was provided by the bidders for combined City and Utility banking services each entity conducted it's own evaluation. Accordingly the results referred to below reflect those relating to the City and do not include the Utility.

Since the evaluation of criteria for services other than fees was relatively similar, and since preliminary estimates of service fees were substantial, the selection decision was limited to an evaluation of fees for such high-volume services as regular deposits, the number of cheques deposited, the number of cheques issued, the number of Pre-Authorized Payments ("PAP") for water and tax receipts and the number of PAP payroll deposits.

The fees indicated by each bidder for similar services varied, and as a result it was necessary to project a volume level for each service and estimate a monthly fee based upon this volume. Since actual volume levels will change as the corporation evolves, sensitivity analysis was conducted for volume levels of + or - 20%. Overall, findings indicated that fees for the Royal Bank were the lowest but just marginally lower than the CIBC (.5% to 2% depending on anticipated volume levels for various services) while the T-D Bank fees were approximately 9% higher. Therefore, further evaluation was limited to the Royal Bank and CIBC.

It is anticipated that annual bank service fees for the City, excluding items below, will range from \$60,000 to \$70,000.

## ONTARIO WORKS

Since both the Royal and CIBC offer Ontario Works banking, the analysis was extended to include an evaluation of fees relating to this account. Since the per unit fees indicated for each service item varied between the institutions, existing volume levels were used to project anticipated annual service fees. Findings indicate that the Royal Bank fees are approximately 38% less than those of the CIBC. It should be noted that the Royal Bank only offers the Ontario Works account if the bank is selected to provide banking services to either the City or Utility.

It is anticipated that annual bank service fees for the Ontario Works account, assuming the Royal Bank fee structure and existing volume levels, will approximate \$ 16,000.

## GREATER SUDBURY HOUSING CORPORATION

Although not originally contemplated in the initial RFP, potential banking requirements for the Greater Sudbury Housing Corporation (the "Corporation") should also be considered at this time. Currently, the Royal Bank has, on a Province wide basis, provided fee estimates for the Corporation. A review of these individual service fees indicates that the fees proposed for the City by the Royal Bank are less than those currently being offered to the Corporation. The Royal Bank has agreed to extend the lower City service fees to the Corporation.

## CASH MACHINE

The provision of a full service cash machine at Tom Davies Square is available from either the Royal Bank or CIBC but in both situations conditional upon a banking relationship with the City. The Royal Bank indicated that the existing machine generates approximately 2,900 transactions a month, only 400 of which made use of the full-service capability of accepting deposits or bill payments. Breakeven volume is noted to be approximately 10,000 transactions per month. The annual fees for provision of a full-service machine, assuming existing volume levels, are as follows:

Royal Bank	\$ 32,000
CIBC	25,200 plus one time capital of \$ 8,000 to \$ 12,000

Alternatives proposed include a Bank brand cash counter banking machine with the following fee structure:

Royal Bank	\$ 9,800 plus one time capital of \$ 2,000
CIBC	12,500 plus one time capital of \$ 8,000 to \$ 12,000

As an alternative to a Bank brand cash counter banking machine, it was proposed that a White Brand cash dispensing machine could be acquired. It is possible to have such a machine installed at no cost to the City and fully subsidized by user transaction charges which typically range anywhere from \$ 1.25 to \$1.50 per transaction. Given the additional user fee imposed by this alternative, it was not considered a viable option.

## Summary

It is recommended that the Royal Bank be contracted to provide banking services for the City, Ontario Works, and the Greater Sudbury Housing Authority for a three-year term commencing May 1, 2001, with an option to renew for a further two years. In an extensive evaluation, the Royal Bank ranked on par with the other proponents and are able to provide the service at a lower cost. Further, it is recommended that a Royal Bank cash only banking machine be provided in Tom Davies Square for use by the general public as it is the most cost effective alternative.

## City Agenda Report

---

**Report To: CITY COUNCIL**

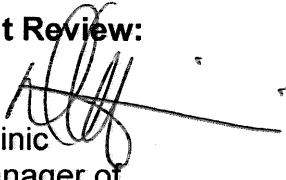
**Report Date: April 5, 2001**

**Meeting Date: April 10, 2001**

---

**Subject: Request for Proposal for Servers and Hardware for the  
Enterprise Resource Planning (ERP) System from PeopleSoft**

**Department Review:**

  
Doug Wuksinic  
General Manager of  
Corporate Services

**Recommended for Agenda:**

  
J.L. (Jim) Rule  
Chief Administrative Officer

**Report Authored by:** Georges Moreau, Manager of Business Applications

**Recommendation:**

That the City of Greater Sudbury purchase servers and hardware from Compaq Canada at approximately \$280,000, including a five (5) year warranty and taxes, and that this be funded from the Enterprise Resource Planning (ERP) capital project.

## Background:

In early January, the Transition Board for the City of Greater Sudbury authorized the purchase of an Enterprise Resource Planning (ERP) software system from PeopleSoft Canada and authorized the hiring of Deloitte and Touche to help us implement this ERP software solution.

This ERP system will provide cost effective services to our internal departments allowing them to provide high quality, value added services to the public.

The ERP system is completely Web enabled which would allow easy access by our citizens through the internet.

The City will require new minicomputers servers to operate and maintain this new ERP software.

On March 9, a Request for Proposal for the supply of "Servers and Hardware for PeopleSoft ERP" was issued with a closing date of March 29, 2001. Responses were received from four (4) PeopleSoft certified vendors - IBM, Hewlett-Packard, SUN and Compaq. Prices ranged from a high of \$545,000 plus taxes to a low of \$180,000 plus taxes. These responses were reviewed and evaluated by a committee consisting of:

Mr. Ron Begg, JBL Ltd., (our consultant on this project),  
Bruno Mangiardi, Director of Information Technology,  
Georges Moreau, Manager of Business Applications  
Darryl Mathe, Manager of Supplies and Services

Attached are minutes of this web based meeting that was held on Friday, March 30, 2001.

It is recommended that the servers and hardware be purchased from Compaq Canada. Although they were not the lowest cost (by \$15,700), the Compaq Canada response was selected as it proposed using servers and hardware that were scalable, that is, they could be upgraded or enhanced in the future with little additional cost and they have local technical support. Compaq is also our current vendor and we are extremely pleased with the performance of both the servers and the company.



The hardware proposed by the lowest vendor was a smaller server that was already at capacity preventing any future growth. This vendor was also not able to provide local support.

Through negotiations with Compaq, we have been able to reduce the proposal cost to \$197,000 plus taxes @ 11% (\$218,670). This equipment comes with a 3 year warrantee. During negotiations we were able to improve the response time from next business day to four (4) hours response along with maintenance for years 4 and 5 for an extra \$49,500 plus taxes @ 11% (\$54,945).

This expenditure will be funded from the allocated \$300,000 server hardware budget within the ERP capital project.

This report has been reviewed by Financial Services and the source of financing identified.

It is recommended that the servers and hardware be purchased from Compaq Canada for \$273,615 and that the cost of the servers and hardware be funded from the ERP capital project.



# Memorandum

Date: March 30, 2001

To: Bruno Mangiardi, Georges Moreau, Darryl Mathe

From: Ron Begg

Re: Meeting Minutes – March 30 FIS Selection Team

## Background

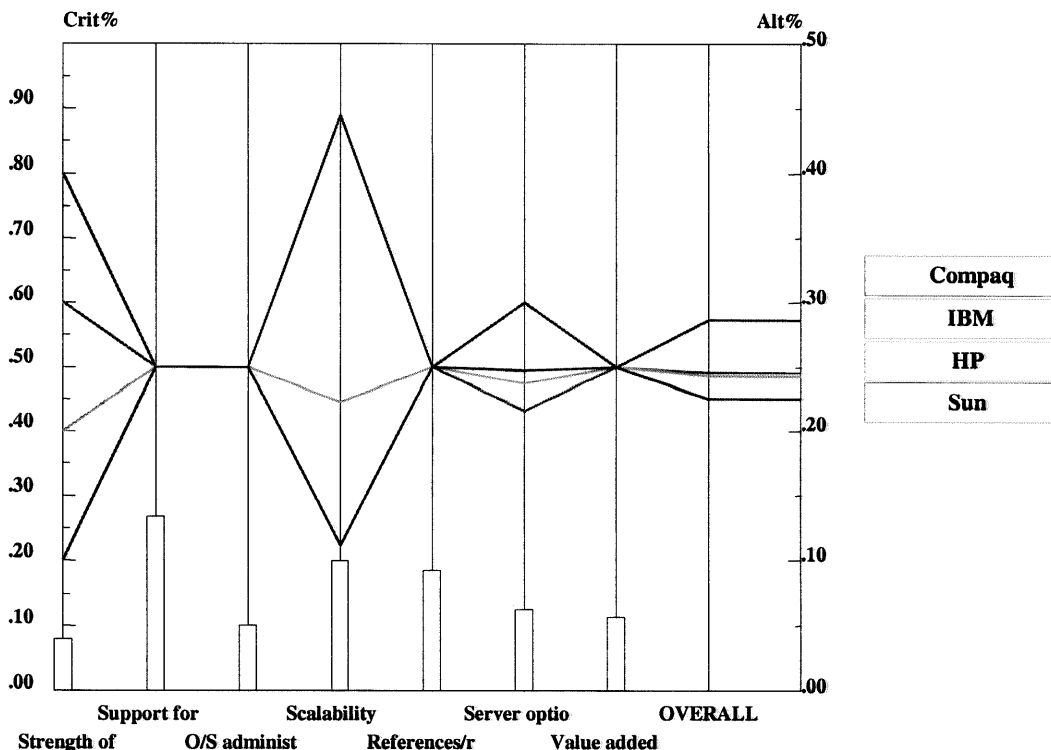
Members of the selection team met on March 30, 2001 to decide on a preferred vendor. Present at the City's offices were Bruno Mangiardi, Georges Moreau and Darryl Mathe.

Ron Begg facilitated the meeting from Waterloo using Internet meeting tools.

## Meeting Items

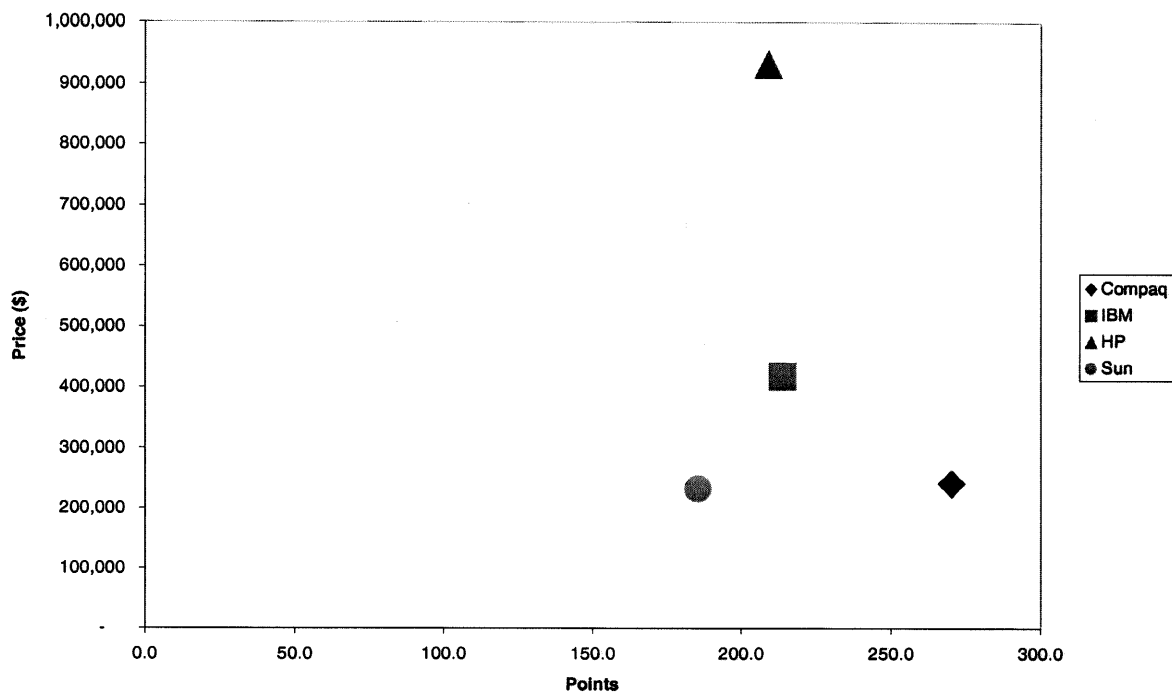
- **RFP scoring.** We reviewed the responses and price quotes. We then reviewed each vendor against the criteria in the scoring matrix and assigned scores. The scores assigned are set out in tabular form in Exhibit 1; a summary chart is shown below.

Comparison Chart



- From this chart we can conclude that the scoring rankings are somewhat sensitive to variances in the scoring weightings (some changes to the relative weighting of the criteria will change relative ranking of the vendors). Nonetheless, no changes will alter the number one ranked vendor (and this selection is to choose one only).
- The scores were then compared against relative prices from the vendors. This results in a price/points grid, as shown below.

### Vendor Scoring Grid



- Based on this scoring and relative pricing, the team selected **Compaq** as the preferred vendor.

### Action Items

A report will be prepared recommending the preferred vendor for formal acceptance and approval to proceed.

**Exhibit 1: Vendor Scores**

Criteria	grp. %'s	Pts	Compaq		IBM		HP		Sun	
	& totals		Raw	Wt'd	Raw	Wt'd	Raw	Wt'd	Raw	Wt'd
	<b>100</b>									
a) Support for PeopleSoft UNIX/Oracle	0.257	25.700	2	51.4	2	51.4	2	51.4	2	51.4
b) Scalability & growth	0.189	18.900	4	75.6	2	37.8	2	37.8	1	18.9
c) References and reference sites	0.175	17.500	2	35.0	2	35.0	2	35.0	2	35.0
d) Server options	0.115									
system reliability	0.600	6.900	4	27.6	3	20.7	3	20.7	3	20.7
disc storage	0.200	2.300	3	6.9	2	4.6	3	6.9	2	4.6
backup strategy	0.200	2.300	3	6.9	2	4.6	2	4.6	4	9.2
e) Value added services	0.103	10.300	2	20.6	2	20.6	2	20.6	2	20.6
f) O/S administrative tools included	0.091	9.100	2	18.2	2	18.2	2	18.2	2	18.2
g) Strength of Local Support	0.070	7.000	4	28.0	3	21.0	2	14.0	1	7.0
<b>TOTAL</b>		<b>100.0</b>		<b>270.2</b>		<b>213.9</b>		<b>209.2</b>		<b>185.6</b>

Score 0,1,2,3,4 based on: 0- not available, 1- poor, 2- average, 3- above average, 4- excellent

## City Agenda Report

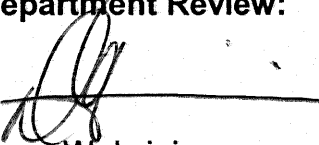
**Report To: CITY COUNCIL**

**Report Date: April 3, 2001**

**Meeting Date: April 10<sup>th</sup>, 2001**

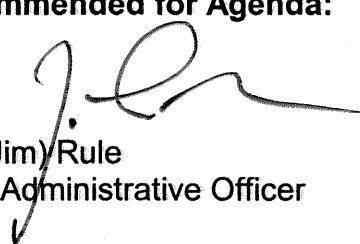
**Subject:** TAX EXTENSION AGREEMENT - Roll 070-006-04900  
Denis Laire

**Department Review:**



Doug Wuksinic  
General Manager of Corporate  
Services

**Recommended for Agenda:**



J.L. (Jim) Rule  
Chief Administrative Officer

**Report Authored by:**

Ronald M. Swiddle, City Solicitor

**Recommendation:**

That By-Law 2001- 101A authorizing the Mayor and Clerk to sign an Extension Agreement with Denis Laire with respect to the property located at 245 Lloyd Street in the City of Greater Sudbury be passed.

## Background:

A tax certificate was registered against these lands on 2000-04-26 and the owner has one year from that date to redeem the property by paying all outstanding taxes, penalty, interest charges and costs in full in one lump sum.

However, Section 8 of the *Municipal Tax Sales Act*, R.S.O., Chapter M.60, allows a municipality to enter into a Tax Extension Agreement with the owner of a property which simply provides an extension of time for payment of the arrears by way of a down payment and monthly payments.

The owner is agreeable to make payment of the arrears on the following Schedule. It is recommended that a standard form Extension Agreement be authorized.

### CALCULATION OF PAYMENTS REQUIRED UNDER EXTENSION AGREEMENT

TS FILE NO 2000-55	AMOUNT
(1) Outstanding taxes, penalty and interest charges on TAX ARREARS CERTIFICATE	\$ 5,595.28
(2) Additional taxes levied subsequent to tax sale proceedings 2000	\$ 1,541.89
2001	\$ 1,540.00
2002	\$ 1,540.00
(3) Estimated additional penalty and interest charges subsequent to tax sale proceedings	\$ 2,182.78
(4) Administration Charges - Estimated	\$ 1,375.00
TOTAL AMOUNT TO BE PAID UNDER EXTENSION AGREEMENT	\$ 13,774.95

#### TO BE PAID AS FOLLOWS:

(1) Down payment on signing	\$ 4,000.00
(2) 22 Payments of \$350.00 each starting April 1 <sup>st</sup> , 2001	\$ 7,700.00
(3) 1 Final Payment of \$ 2074.95 on January 1 <sup>st</sup> , 2003	\$ 2,074.95
	\$ 13,774.95

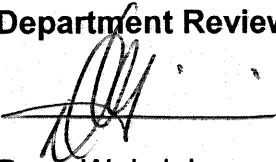
**Report To: CITY COUNCIL**

**Report Date: April 3, 2001**

**Meeting Date: April 10<sup>th</sup>, 2001**

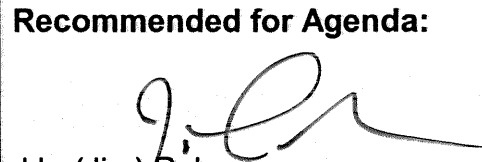
**Subject:** TAX EXTENSION AGREEMENT - Roll 090-007-05200  
Donald Walker

**Department Review:**



Doug Wuksinic  
General Manager of Corporate  
Services

**Recommended for Agenda:**



J.L. (Jim) Rule  
Chief Administrative Officer

**Report Authored by:**

Ronald M. Swiddle, City Solicitor

**Recommendation:**

That By-Law 2001- 102A authorizing the Mayor and Clerk to sign an Extension Agreement with Donald Walker with respect to the property located at 3784 Long Lake Road in the City of Greater Sudbury be passed.

## Background:

A tax certificate was registered against these lands on 2000-04-26 and the owner has one year from that date to redeem the property by paying all outstanding taxes, penalty, interest charges and costs in full in one lump sum.

However, Section 8 of the *Municipal Tax Sales Act*, R.S.O., Chapter M.60, allows a municipality to enter into a Tax Extension Agreement with the owner of a property which simply provides an extension of time for payment of the arrears by way of a down payment and monthly payments.

The owner is agreeable to make payment of the arrears on the following Schedule. It is recommended that a standard form Extension Agreement be authorized.

### CALCULATION OF PAYMENTS REQUIRED UNDER EXTENSION AGREEMENT

TS FILE NO 2000-71	AMOUNT
(1) Outstanding taxes, penalty and interest charges on TAX ARREARS CERTIFICATE	\$ 4,556.18
(2) Additional taxes levied subsequent to tax sale proceedings 2000	\$ 1,694.38
2001	\$ 1,700.00
2002	\$ 1,700.00
(3) Estimated additional penalty and interest charges subsequent to tax sale proceedings	\$ 1,975.22
(4) Administration Charges - Estimated	\$ 1,375.00
TOTAL AMOUNT TO BE PAID UNDER EXTENSION AGREEMENT	\$ 13,000.78

#### TO BE PAID AS FOLLOWS:

(1) Down payment on signing	\$ 3,100.00
(2) 21 Payments of \$400.00 each starting May 1 <sup>st</sup> , 2001	\$ 8,400.00
(3) 1 Final Payment of \$ 1500.78 on January 1 <sup>st</sup> , 2003	\$ 1,500.78
	\$ 13,000.78

35



---

**Report To: CITY COUNCIL**

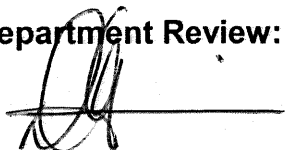
**Report Date: April 3, 2001**

**Meeting Date: April 10<sup>th</sup>, 2001**

---

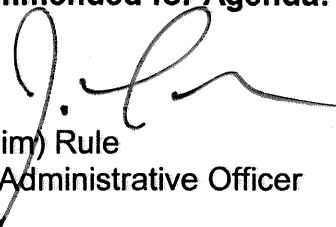
**Subject:** TAX EXTENSION AGREEMENT - Roll 040-004-05500  
Rob Harding

**Department Review:**



Doug Wuksinic  
General Manager of Corporate  
Services

**Recommended for Agenda:**



J.L. (Jim) Rule  
Chief Administrative Officer

**Report Authored by:**

Ronald M. Swiddle, City Solicitor

**Recommendation:**

That By-Law 2001- 103A authorizing the Mayor and Clerk to sign an Extension Agreement with Rob Harding with respect to the property located at 155 Whittaker Street in the City of Greater Sudbury be passed.

## Background:

A tax certificate was registered against these lands on 2000-04-26 and the owner has one year from that date to redeem the property by paying all outstanding taxes, penalty, interest charges and costs in full in one lump sum.

However, Section 8 of the *Municipal Tax Sales Act*, R.S.O., Chapter M.60, allows a municipality to enter into a Tax Extension Agreement with the owner of a property which simply provides an extension of time for payment of the arrears by way of a down payment and monthly payments.

The owner is agreeable to make payment of the arrears on the following Schedule. It is recommended that a standard form Extension Agreement be authorized.

### CALCULATION OF PAYMENTS REQUIRED UNDER EXTENSION AGREEMENT

TS FILE NO 2000-31	AMOUNT
(1) Outstanding taxes, penalty and interest charges on TAX ARREARS CERTIFICATE	\$ 5,029.92
(2) Additional taxes levied subsequent to tax sale proceedings 2000	\$ 1,287.73
2001	\$ 1,288.00
2002	\$ 1,288.00
(3) Estimated additional penalty and interest charges subsequent to tax sale proceedings	\$ 1,583.07
(4) Administration Charges - Estimated	\$ 1,375.00
TOTAL AMOUNT TO BE PAID UNDER EXTENSION AGREEMENT	\$ 11,851.72

#### TO BE PAID AS FOLLOWS:

(1) Down payment on signing	\$ 3,000.00
(2) 17 Payments of \$500.00 each starting May 1 <sup>st</sup> , 2001	\$ 8,500.00
(3) 1 Final Payment of \$ 351.72 on September 1 <sup>st</sup> , 2002	\$ 351.72
	\$ 11,851.72

37

Report To: **CITY COUNCIL**

Report Date: 3 April 2001

Meeting Date: 10 April 2001

**Subject: Candidate Financial Reporting Requirements  
(Municipal Elections Act, 1996)**

**Department Review:**



Doug Wuksinic  
General Manager Corporate Services

**Recommended for Agenda:**



J.L. (Jim) Rule,  
Chief Administrative Officer

**Report Authored by:**

Thom M. Mowry, City Clerk

### Summary:

This Report is for Information Only and has been placed on the Council Agenda in order to comply with the financial reporting provisions of *The Municipal Elections, 1996*.

Monday, April 2nd, 2001 was the deadline for the filing of financial statements by all candidates who filed a Nomination Paper (Form 1) for the November, 2000 Municipal Election. Section 80(2) of the Act requires the Clerk to advise the relevant council or board of the default of any candidate who has failed to comply with the financial reporting requirements.

## Background:

The *Municipal Elections Act, 1996* requires all candidates who filed a Nomination Paper (Form 1) for the November 2000 Municipal Election to file a financial statement no later than Monday, April 2nd, 2001.

A candidate whose campaign contributions and total expenses are each equal to or less than \$10,000 may file an unaudited financial statement (Form 4). Contributors whose contribution totalled more than \$100 must be listed by name, address and amount of contribution. A candidate whose campaign contributions exceed \$10,000 or whose total expenses exceed \$10,000 must file an audited financial statement (Form 5). These financial reports are public documents.

In the event that a candidate fails to meet either the disclosure or reporting requirements, then an elected candidate may be subject to disqualification from office. In addition, all candidates, whether elected or not may be ineligible to hold municipal office in Ontario for a period up to and including the next regular election.

Of the 89 candidates who filed a Nomination Paper for the November 2000 Municipal Election, only 2 candidates failed to meet the required deadline of Monday, April 2nd, 2001.

They are as follows:

Candidate		Office	Ward/Zone	Council or Board
1	Marc Landry	Councillor	3	City of Greater Sudbury
2	Terry Watters	Trustee	3	Sudbury Catholic District School Board

In accordance with the provisions of the Act, Notices of Default were forwarded to each of the above candidates, and the Sudbury Catholic District School Board, by registered mail on Wednesday, April 3rd, 2001.

Respectfully submitted for the information of Council.