Hawkesbury City Council

special meeting business paper

date of meeting: 17 April 1999

location: Council Chambers

time: 7.30pm

ITEM **SUBJECT** **PAGE**

AGENDA

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special section 4

reports for determination

ITEM: 50 **Redevelopment of Former Hawkesbury Hospital Site**

FILE NUMBER: GC283/163/CSV/ORD17SBX.C01

REPORT:

The Concept Plan for the redevelopment of the former Hawkesbury Hospital site, provided for a Museum within a refurbished main building fronting Macquarie Street and a separate Art Gallery being located in the former kitchen building.

Conservation and Curator Consultants International Conservation Services have been working on the development of the main building and Art Gallery for a short period of time. From their initial work, they have advised that they consider three options need to be explored further:

1. Whether the Museum should stay in its current location.

2. The Museum should be relocated into a new facility as part of the library.

3. The Museum should be combined with the Art Gallery.

When looking at these options, apart from the building issues, they indicate three factors need to be considered:

1. Musicological factors - collection, analysis, cost to operate.

2. Market factors - such as visitation, market segments, attraction of an old building.

3. Institutional factors - organisational structure, the Museum's relationship with the community and Friends of the Hawkesbury Art Collection (FOHAC), the mission, management and staffing arrangements and policy directions.

Their initial brief was directed towards issues relating to the collection. In particular, its size, conservation needs, storage and exhibition options although some work relating to the management issues was undertaken.

For this extended work there is a need to undertake an analysis of the issues relating principally to factors 2 and 3, as well as to integrate the work that has already been carried out. This means exploring the potential and existing audiences for the new facility and the old Museum, looking at the finances and coming to terms with what the market wants and whether the relocation would meet the audiences needs.

The Concept Plan also provided for development of a 2,000sqm building over two levels with underneath parking, to accommodate a new Central Library for the City and approximately 1,600sqm to be made available for commercial leasing. Additionally, Peppercorn Place located on the corner of George and Christie Streets provides premises for a number of Home and Community Care Services and the Johnston Wing, fronting Christie Street has an area of approximately 440sqm and has been refurbished and is available for commercial leasing. A cafe/kiosk is also proposed for the site with submissions already received for the leasing of the facility and it is expected that a commencing rental of $20,000 per annum will be achieved.

Marketing initiatives have been implemented for the leasing of the commercial space to be provided on the site, with limited interest being shown at this stage in the Johnston Wing. To a large extent, this would be due to the current nature of that part of the site and the uncertainty in the mind of any lessor of what is to occur. This should be considerably improved once architects have been chosen for the work and their schemes made publicly available. An Expression of Interest has been received from Business Consultants/Accountants for the leasing of approximately 200sqm within the proposed Library building and a number of other enquiries have been received for those premises. Additionally, following a number of discussions regarding occupancy of part of the proposed library building, Foundation Medical Centres have submitted a proposal to lease the main building and former kitchen premises, which were identified in the Concept Plan for establishment of a Museum and Art Gallery respectively. They propose the establishment of an extended hours medical centre providing a full range of medical and health services including specialists and radiology operations are proposed for the buildings.

The offer from Foundation Medical Centres is as follows:

- Rental of $250 per sqm per annum gross for the building which has an area of approximately 700sqm, ie, $175,000 per annum.
- The payment of a rental of $200 per sqm per annum gross for the former kitchen building which has an area of approximately 110sqm, ie, $22,000 per annum..
- Both leases being for a term of 10 years with a 5 year option.
- Rentals to be reviewed bi-annually to 5%.
- Council to finalise all refurbishment works to the building including provision of air conditioning, ceilings, lighting and the service lift in the premises being operational.
- The lease to commence when the renovations are completed and a rent free period of 3 months from the date of the lease, is to be provided.
- Foundation Medical Centres to have the right to sub-let to any medical related businesses.
- The agreement being subject to development consent being received for the use and fitting out of the premises.

On the basis of the rental structure proposed, the commencing annual rental will be approximately $197,000 per annum gross, subject to exact lettable areas being determined. The proposed rental is within the market range as identified by Consultant Valuers, K D Wood & Associates and would provide a cashflow to enable the Development Plan for the site being brought forward. It is considered that the proposal is an appropriate use for the premises given the existing floor layout, its historic links, ie, former usage as a Hospital and provides for the establishment of a medical services cluster for the City, with the new Hospital being located across the road and a number of other medical services available in the immediate vicinity. Foundation Medical Centres are pursuing this option rather than the proposed Library building as they require accommodation by the end of the year otherwise, they intend to pursue alternative sites and the opportunity for securing a major tenancy on the site could be lost. Medical, professional and ancillary services have been identified as the key target markets for potential tenants within the site and should such a proposal be developed on another site, it may be difficult to secure alternative medical related tenancies and accordingly, the proposal is supported. Foundation Medical Centres have indicated that they are prepared to pre-commit by entering into an Agreement to Lease the premises, which would protect the interests of both Council and their organisation, should either party decide at a later date not to proceed with the arrangement.

In relation to the Museum, subject to the final work of International Conservation Services, it is likely to be recommended that it remain in its current location and an extension be undertaken. Plans for an extension were prepared in 1988. These provided for an extension area of around 800 square metres, that does not include the existing building and storage space. The former hospital building has a total floor area of 700 square metres.

The Art Gallery in the old kitchen wing, would have had an area of 110 square metres. If it is moved to the new Library building, then a display area of at lease this size could be provided plus the addition of meeting room and amenities.

There is a commercial imperative to secure the lease to Foundation Medical Services to have a decision made at this time. This will secure an initial income of $197,000 per annum, with future indexation for a period of 10 to 15 years. At this time it is recommended that the Council:

- Enter into an agreement to lease with Foundation Medical Centres for the former main hospital building and kitchen premises on the hospital site, subject to the terms and conditions outlined in this report.
- Agree to proceed as soon as possible with extensions to the existing Museum building based on the 1988 concept and subject to report from International Conservation Services.
- That the brief of International Conservation Services be extended to look at market forces such as visitation, market segments and attraction of the existing building.
- Provide facilities for an Art Gallery in the new building.
- Receive a report on amended costings for the adjusted project with the report of International Conservation Services.

RECOMMENDATION:

That:

1. Council enter into an Agreement to Lease with Foundation Medical Centres for the former main building and kitchen premises of the Hospital site, subject to the terms and conditions outlined in the report.

2. The Seal of Council be affixed to any necessary documentation.

3. Provide Art Gallery facilities in the new building.

4. In principle agree to extensions to the existing Museum as outlined in the 1988 plans, subject to the report from International Conservation Services and costings.

5. Extend the brief of International Conservation Services to look at market forces such as visitation, market segments and attraction of the existing building.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF ITEM 50 Oooo

ITEM: 51 **Tender for New Business Systems**

FILE NUMBER: GT020/401/CSV/ORD17SBX.C03

REPORT:

Background

Council's current Information Systems software was first introduced in 1989. The installation from Genasys II Pty Ltd provided core Local Government computer applications for all sections of the organisation. Over the past 12 years significant development and upgrades have been implemented allowing Council to build up a vast amount of electronic information. From the limited resources initially provided the systems have now developed to a stage where every desktop has access to PC applications and the core information systems.

The Genasys CIS (Council's Information Systems) software, together with GenaMap for geographical information systems (GIS) applications, was a market leader in the provision of Local Government applications software during the early 1990's.

In 1998 Genasys II Pty Ltd had company difficulties and was placed into receivership. Following this the company was sold to Australian Integrated Finance (AIF). AIF made commitments to the Genasys customers that Year 2000 and GST software patches would be provided to allow councils to continue operations without the need to move to new software. Monthly maintenance fees were doubled at the time to allow support services and system upgrades to continue. The revised fees remained in place until July 1999 when a new fee structure was introduced. The new fee structure presented an increase of 28% of the pre-receivership charges.

In October 1999 Sanderson, an International Software company purchased Genasys II from AIF. Sanderson also market the Authority Local Government Software products and subsequently announced to the Genasys II customers that the CIS product would be supported in its current state but no significant developments would be undertaken. Councils have since been encouraged to move to the Authority software without the need to purchase software licences. Such a move would require a significant investment in the form of conversion, implementation and training costs. These costs would be in excess of $100,000 and fall within the guidelines covering tendering as outlined in the Local Government Act.

Need for Change

The Genasys suite of software modules has served Council's requirements adequately to date. However, due to the limited life of the current software, Genasys II Pty Ltd company problems, the increasing organisational requirements for systems integration, improved functionality needs and the need for significant system enhancements it is necessary to move to new software. Over the past three years it has become apparent that the current applications do not meet requirements and will be unable to support future organisational needs. In addition, the current hardware (which is now 5 years old) will not be supported under the current contract service levels beyond July 2002. This will place Council's continued day to day operations of systems at risk.

To comply with the Local Government Act requirements a tender process was undertaken to select the best solution for Council's core software requirements for the next five to ten years. Input was sought from all areas of Council' operations and a working group involving fifteen to twenty staff was formed to undertake the specification and evaluation for a new system.

Tender Process

Due to the need to prepare a comprehensive specification of requirements, Lange Consulting and Software (LC&S) were engaged to undertake the preparation of tender documents and to conduct the initial evaluation of responses together with staff. A specification detailing essential criteria and functionality was finalised by the working party with input from a broad selection of Council's operations. The tender for New Business Systems was advertised in December with a closing date of 1February 2001. A tenderer briefing was held for interested vendors on 13 December and the requirements of the five key modules were outlined as being:

- Financial;
- Core (Property, Regulatory etc.);
- Payroll;
- Records Management; and
- Customer Services.
  (GIS applications were subject to a separate tender process.)

It was noted that, while tenders for each module would be accepted individually, a preference would be given to those tenders who could provide multiple modules with an integrated solution. Although cost, functionality, and overall best fit are considerations, the selection of a single supplier will reduce integration, support and contract management over the life of the new system.

Assessment of Tenders

Tenders were received from:

- AXS-One Pty Ltd
- Advanced Data Integration (ADI) Pty Ltd
- Fujitsu Australia Ltd
- Geac Computers Pty Ltd
- Powerlan Limited
- QSP Solutions Limited
- Sanderson Australia Pty Ltd
- Technology One Limited
- Frontier Software Pty Ltd (Chris)

The initial assessment of tender responses was undertaken by LC&S using the APET evaluation software. The APET software is designed specifically for the purpose of evaluating tender specification responses. The process involves consideration of tenderer's compliance with the functional, generic, outcome and technical requirements listed in the specification. The cost over five and ten year (net present value) were also considered to determine the overall value of each proposed solution.

LC&S presented a detailed report of all tender responses and a short list was recommended for further evaluation. Following training for the APET software the working party conducted validation checks to ensure consistency in the scoring of tender responses to the specifications. An evaluation of tenders by the Director of Community & Corporate Services and the Manager Information Services concurred with the consultant's recommendation of the short listed tenderers.

Tenderers for further evaluation were:

- ADI - using Dataworks for Electronic Document Management and Customer Services
- GEAC - using Smartstream and Pathways for Finance, Payroll and Core
- Sanderson Australia - using Authority for Finance, Payroll and Core
- Technology One - using Finance One, People One and Proclaim for Finance, Payroll and Core
- Frontier Software Pty Ltd - using Chris for Payroll

The overall master results by component put forward by LC&S were as follows:

RMS/EDMS	
Vendor	**Percentage**
ADI	94.35%
Fujitsu	94.12%
AXS-One	91.91%
Powerlan	80.29%
Sanderson	80.06%

Payroll	
Vendor	**Percentage**
Chris	96.34%
Geac	94.99%
Technology One	93.63%
Powerlan	89.80%
Sanderson	86.82%
Fujitsu	86.09%

Core	
Vendor	**Percentage**
Technology One	93.21%
Sanderson	88.51%
Geac	82.73%
Fujitsu	75.52%
Powerlan	75.00%

Financial	
Vendor	**Percentage**
Technology One	96.17%
Geac	92.45%
AXS-One	89.37%
Sanderson	89.36%
QSP	87.80%
Powerlan	85.99%
Fujitsu	83.13%

Site Visits and Vendor Demonstrations

Demonstrations were held during the last two weeks of March and tenderers were requested to cover specific topics during the demonstrations. Reference sites have been considered as part of the evaluation for the best solution for Council. Reference site contacts also enabled committee members to consider the products in use in a similar environment to this Council's application. Also,to discuss the implementation and use of the products in an impartial environment with staff carrying out similar functions.

Financial Assessment

The financial component of each tender was initially analysed by LC&S, with a final analysis being carried out by committee members. The following summary indicates the net present value of each tender considered over a ten year period.

Vendor	**10 year Net Present Value**
Technology One Limited	$1,619,733
Geac Computers Pty Ltd	$1,541,346
Sanderson Australia Pty Ltd	$1,602,422
ADI Dataworks Pty Ltd	$304,753
Frontier (Chris)	$238,277

Summary of Tender Evaluations

<u>ADI Dataworks</u>

The product offered by ADI Dataworks provided a high level of compliance with the specified requirements to manage the risk of corporate information in a rapidly changing electronic environment. This was reinforced during the demonstration by the supplier. The need to manage such information has been outlined in recent changes to both Privacy and Records Management Legislation.

The advantages of the solution:

- integrated approach to "at risk" corporate information;
- provision of workflow and web enablement;
- ability to integrate with alternative GIS solutions;
- ability to integrate with alternative core suppliers;
- well known and widely used product becoming industry standard; and
- high level of customer service compliance within the electronic document management (EDM) process.

It should be noted that the ADI Dataworks product is a current solution in many NSW Local Government sites integrating/interfacing with all short listed providers of core services. ADI Dataworks is the preferred supplier of EDM for the Technology One and Geac solutions.

The EDM solution will however require significant cultural change and change management issues within the organisation.

Technology One

The solution proposed by Technology One for Finance, Core and Payroll provided the highest level of compliance of all tendered responses for both finance and core and it is noted that their preferred supplier of EDM is ADI Dataworks.

The advantages of the solution are:

- high level of research and development;
- committed approach to e-commerce;
- demonstrations highly regarded by staff committees;
- Australian owned company;
- integrated approach to finance, core and payroll;
- strong standing in local government;
- positive response from local government reference sites;
- successfully migrated a number of Genasys sites;
- well received demonstration;
- extensive functionality; and
- ease of use.

It is noted that the payroll functionality relating to local government is still in development as part of the offering. This product has an existing standing in both government and health organisations. Opportunities exist for Council staff together with Technology One to further enhance the product for local government application. The advantages of having a payroll solution from Technology One include a single supplier contract for Financial, Core and Payroll applications which is integrated under the same operational environment.

Geac

The Geac offering rated well in regard to functionality assessed by LC&S and the staff committees. The product provided a single supplier solution for Finance, Core and Payroll services. The preferred supplier of EDM as part of the tender was ADI Dataworks.

The advantages of the solution:

- well known product;
- strong standing in local government;
- positive response from reference sites relating to core systems;
- high level of research and development;
- well received demonstration; and
- successfully migrated a number of Genasys sites.

Geac, a Canadian owned company, in recent years has acquired a number of existing Local Government market solutions. These legacy system such as TCS/Stowe and Wang Datamation are still operational in a number of their current sites.

Unfortunately, GEAC could not provide a suitable reference site for their Finance and Payroll offering or a site where both the Core and Financial offerings are installed. This provided problems with assessment of the integration and single supplier requirements. As the GEAC core applications were rated to be capable meeting Council's needs, consideration was given to implementation of a Finance solution from an alternate supplier, namely, Technology One. This combination is currently installed in a number of NSW Local Government sites and interfaces satisfactorily.

Sanderson

Sanderson an International company software supplier, are the current supplier for Council's information systems and have been supporting the Genasys product since late 1999. They have migrated a number of Genasys Councils to their preferred Authority software. The Sanderson's offering was rated similar to GEAC in the initial evaluation from LC&S. Sanderson were included as the current supplier and also as a one-supplier solution.

The advantages of the solution:

- well known product;
- strong standing in local government;
- comfort of dealing with current vendor;
- successfully migrated a number of Genasys sites.

Sanderson's were non-compliant for EDM but have recently acquired a relationship with Domino.Doc. This product was not considered as it was not included with the original tender.

The Sanderson demonstration was not able to show functionality and ease of use in comparison to the alternative suppliers. Sanderson would provide a solution that would enable the organisation to grow with product enhancements and provide functionality similar to the current Genasys offering.

<u>Frontier (Chris)</u>

The Frontier (Chris) payroll solution is a market leader and initial evaluation clearly identified the product's superiority. The functionality available from the Chris solution is beyond the current needs of the organisation and would require additional financial and staff resourcing allocation. As indicated earlier, the 10 year net present value cost is $238,277 with an initial outflow of $132,988 for license and implementation.

Inclusion of Chris would involve choosing multiple companies over a solution where two companies provide Hawkesbury's new business systems. It is preferred, from an integration and cost perspective, that the selected payroll system be integrated to the financial solution.

Information Technology Strategic Plan

The Information Technology Strategic Plan (ITSP) which has been developed each year since 1993 is a rolling plan which attempts to determine Council's current needs and predict the requirements for the next three years. The intention of the ITSP is to provide an operational plan and to outline a funding strategy and reduce the need for the provision of large outflow of funds when new systems are required. The leasing of hardware has also been incorporated into the ITSP to spread the cost of equipment and upgrades over the life of the equipment.

Hardware for the new systems will be funded from the ITSP. Due to the reduced cost of hardware in recent years hardware costs for the new business system can be catered for within existing allocations.

Conclusion

From the tender responses submitted the offering from Technology One with ADI Dataworks provides the most suitable solution for Council's present and future requirements. These products offer the highest level of functionality and represent value for money over the life of the product.

The outgoing cashflow for Technology One (core, financial and payroll) is $922,600, there is currently provided within the three year ITSP is $930,000. The outgoing cash flow for ADI Dataworks (EDM) is $171,268, allocated in the current ITSP is $100,000. The remaining funds for the initial license fee, implementation and training can be provided from the 2001/2003 ITSP.

RECOMMENDATION:

That:

1. The tender of Technology One Limited for the provision of core, financial and payroll systems to Hawkesbury City Council, dated 1 February, 2001 be accepted.

2. The tender of Advanced Data Integration (ADI) Pty Ltd for electronic document management and customer service systems to Hawkesbury City Council, dated 1 February, 2001 be accepted.
3. The Seal of Council be affixed to any necessary documentation.

ATTACHMENTS:

AT-1 Anaysis of Tendered Implementation costs over ten years

oooO END OF ITEM 51 Oooo

ITEM: 52 **Tender for Geographical Information System**

FILE NUMBER: GT020/400 PT2/ENG/ORD17SBX.E04

REPORT:

Background

Council first installed a Geographic Information System (GIS) in 1989 as part of the Genasys suite of products, which were purchased to replace existing software systems. The system, known as Genamap, was initially established in the then Engineering department to replace the hardcopy charting sheets that were used to define property boundaries at the time. Access to the system was only available from two terminals, with only three staff having the necessary skills and training required to operate the system. The functionality of the software at the time was basic, and the system was generally used as an electronic version of the existing hardcopy maps.

During the 1990's the system was continually developed, through both enhancements provided by the Genasys company and development carried out internally by Council staff. As the functionality of the system improved and demand for its use increased, access was provided to Environment and Development Division, the Customer Enquiry counter and the Rates department.

In 1999 a graphical user interface supplied by Genasys known as "Data Viewer" was installed to enable access to the system from a desktop PC without the requirement for expensive terminal emulation software. This user interface had the potential to provide access to the large amount of data stored in the system to all Council staff. However this interface proved to have a low level of functionality and performance and consequently was not developed and utilised to any great extent.

Present Situation

The GIS is currently used in all Divisions of Council, for a number of routine and specialist tasks such as provision of locality sketches, adjoining owner notification of proposed developments, preparation of special purpose maps for both internal and external clients, and the preparation of the land use zoning maps that form part of Council's Local Environmental Plan (LEP).

The GIS is maintained by the GIS Unit within the Asset Services and Recreation Division. Access to data and maps is provided to two locations in the Environment and Development Division, two locations in the Rates department and the Enquiry counter. Access is also gained by administration and records staff through the use of the Data Viewer Interface. Due to the problems experienced with this interface described previously, it is generally only used by a small number of staff for basic enquiries.

Need for Change

Over the last four years, it has become increasingly apparent that the existing system was not meeting Council's current and future requirements in terms of the availability and application of geographical information. Whilst the Genamap software was a market leader when it was installed in 1989, a number of factors have contributed to its decline in both market share and suitability to Council's requirements. These include:

<u>Failure of the "Data Viewer" User Interface</u>

The core Genamap GIS software provides an extensive set of tools and functions to allow the manipulation and presentation of geographically based data, which are appropriate for use by staff specifically trained in the GIS disciplines. However, the true value of a GIS lies in its ability to communicate the stored data to an organisation and its customers.

Genasys proposed the "Data Viewer" product as a means by which data could be accessed by staff throughout an organisation. However, the product lacked functionality, suffered from extremely slow response times and was very inflexible in terms of customisation. This essentially resulted in the GIS data only being available to a small number of staff outside of the GIS Unit.

<u>Corporate Difficulties Experienced by Genasys II</u>

Genasys II went into receivership in 1998 and Australian Integrated Finances (AIF) purchased the Company. Elderslie Services Pty. Ltd., a part of the AIF group took over the operations of the company. In February 2000, Elderslie Services Pty. Ltd. merged the Australasian arm of Genamap with the UK Company GenaWarehouse, to form GenaWarehouse Asia Pacific.

These corporate difficulties resulted in substantial instability, loss of key personnel and disruption to development schedules which has significantly affected the viability of the Genamap product.

<u>Failure of the Genamap software to keep pace with industry developments</u>

In the twelve years since the installation of the Genamap software, the information technology industry has undergone significant changes, especially in the area of information management and availability. Where the data used by an organisation was once stored purely within the GIS and accessed by that software, now it may reside on several different computer systems, some of which may be located at external sites (eg. Fire Control, HNCMT, UWS Hawkesbury).

The Genamap product has failed to keep pace with these developments and does not provide appropriate tools to connect to these data sources. This will severely affect Council's ability to provide access to appropriate data in the future.

Notwithstanding these factors, it was considered that after using the same GIS product for over ten (10) years, it would be appropriate for Council to re-evaluate the available products in the marketplace, and assess their suitability to meet the Organisation's future GIS requirements.

Tender Process

The process of seeking tenders for the replacement of Council's GIS followed a series of logical steps. These were:

1. Formation of a GIS Steering Committee
2. Consider future GIS Requirements
3. Seek Expressions of Interest
4. Prepare tender documentation and request tender submissions from selected vendors

These steps are detailed as follows:

1. Formation of a GIS Steering Committee

   The GIS Steering Committee was formed in February 2000, with representatives nominated from each Division within Council by their respective Director. A representative from Fire Control was also included on the Committee to ensure that any future system considered the needs of the Rural Fire Service and was compatible with their existing GIS.

2. Consideration of Council's Future GIS Requirements

   Following formation of the Steering Committee, representatives met on a number of occasions to determine the basic functionality that would be required in a new GIS. These requirements were then formulated into a brief to accompany an expression of interest.

3. Expressions of Interest

   Expressions of interest for the provision of a GIS were sought through public advertisement in September 2000, and closed on 27 October 2000. Eight vendors responded to the Expression of Interest. These vendors were:

   - ERSIS Australia Pty Ltd. (ERSIS)
   - ESRI Australia Pty Ltd. (ESRIAU)
   - GenaWarehouse Asia Pacific Pty Ltd. (GenaWarehouse)
   - IFMA Pty Ltd (Infomaster)
   - Integrated Spatial Systems Pty Ltd. (ISS)
   - Latitude Pty Ltd.
   - Smallworld Pty Ltd.
   - Spatial Info Pty Ltd.

   A further three responses were received from companies offering consultancy services to assist in the implementation and operation of GIS. These responses did not comply with the requirements of the expression of interest brief, and were not considered any further.

   The remaining responses were then assessed by the Committee based on the requirements specified in the brief that accompanied the expression of interest documents. From this assessment the Committee considered that five of the vendors proposed solutions that were capable of meeting Council's future GIS requirements. The Committee resolved that a specification be prepared, and that formal tenders be requested from each of the five short-listed vendors.

4. Preparation of Tender Documentation and Request Tender Submissions from Selected Vendors

Due to time constraints and the staff resources involved in the preparation of a technical specification and tender documentation, Lange Consulting and Software (LC&S) were engaged to undertake this function.

Tenders Received

At the close of tenders at 2pm on 1 February 2001, responses had been received from four of the five selected vendors. These vendors were:

- ERSIS Australia Pty Ltd (ERSIS)
- ESRI Australia Pty Ltd (ESRIAU)
- IFMA Pty Ltd (Infomaster)
- Integrated Spatial Systems Pty Ltd (ISS)

Assessment of Tenders

The initial assessment of the tenders was undertaken by Lange Consulting & Software (LC&S) using the Apet evaluation software developed by this Company. This evaluation considered the tenderer's compliance with the functional, generic, outcome and technical requirements listed in the specification compared with the overall cost of the products over five and ten year periods to determine the overall value for money of the solution.

The initial assessment report provided by LC&S recommended that three of the five tenders received be short-listed for further consideration. However, upon close examination of the tender evaluation by the Committee, it was found that some of the tender responses had been inconsistently evaluated. As a result, it was decided to further consider all of the tender responses with the exception of the GenaWarehouse response.

Compliance with Requirements

The tenders were assessed according to a series of weightings, which had been pre-determined by the Committee in conjunction with LC&S. These weightings were:

Criteria	Weight
Tenderer Overview and GIS Offer	5%
Tenderer Profile	3%
Hawkesbury City Council's Required Outcomes	26%

Criteria	Weight
GIS Requirements	37%
Technology Requirements	12%
Data Conversion	12%
Implementation Requirements	5%

When assessed in accordance with the above weightings, the compliance with the criteria calculated as:

Vendor	Compliance With Requirements (%)
ESRIAU	99.13
Integrated Spatial Systems	90.7
ERSIS	89.5
Infomaster	79.15

Financial Assessment

The financial component of each tender was initially analysed by LC&S, with a final analysis being carried out by Committee members. The following summary indicates the net present value of each tender considered over a ten year period.

Vendor	Ten Year Cost (NPV $)
Infomaster	$468,477
ESRIAU	$416,305
ERSIS	$388,228
Integrated Spatial Systems	$310,768

Site Visits and Vendor Demonstrations

Following the evaluation of tenders, members of the Steering Committee visited a number of Council sites suggested by vendors in their tenders. These visits enabled the Committee members to view the products in use in a similar environment to this Council's application, and to discuss the implementation and use of the products in an impartial environment with staff carrying out similar functions.

Summary of Tender Evaluations

The following summaries reflect the overall evaluation of each tender response based on compliance, cost and information gained from site visits and vendor demonstrations.

<u>ERSIS</u>

The products tendered by ERSIS rated well in terms of compliance and cost, with these being around the average for all vendors. The Company and the products have a good user base both in Australia and overseas.

The advantages of this solution are:

- the products are well known and widely used, which assists in finding appropriately trained staff
- the products are relatively simple to use
- the Company provides comprehensive training programmes

The disadvantages of this solution are:

- the software is unable to support the inputting of polygons containing arcs (essential for charting new subdivisions in the GIS)
- the software is unable to carry out certain types of query on polygon data, which is essential for certain applications used by Council
- doubts about the packages ability to perform rigorous GIS analysis

<u>ESRIAU</u>

The solution tendered by ESRIAU provided the highest compliance of all tender responses, however this compliance was coupled with the second highest cost over the ten year period. The Company and its United States parent ESRI have an extensive user base and are the largest producers of GIS software in the world, currently holding over 35% of the world GIS market.

The advantages of this solution are:

- the products are well known and widely used, which assists in finding appropriately trained staff
- the products are comprehensive and provide extensive functionality
- the products are seen as almost an “industry standard”, making transfer of data with other organisations simplified
- the Company provides comprehensive training programmes and support
- the Company has a proven record of development
- because the software is so widely used around the world, there are numerous third party application providers who develop specific software applications to run within the ERSI products

The disadvantages of this solution are:

- the marginally higher cost of the products compared to ERSIS and ISS
- due to the extensive functionality provided, some functions run in separate in separate modules, as opposed to say Infomaster, where all functions run in the one module.
- the software is developed by the US company ESRI, so its is likely that the Australian company ESRIAU would have only a minor influence in determining the path of future development

<u>Infomaster</u>

The Infomaster solution rated poorly in terms of both compliance and cost. However the poor compliance rating was generally attributable to the vendor not completing certain sections of the tender which carried high weightings. The functionality of the product was certified during the site visit and vendor demonstration.

The Company has a much smaller user base than ERSIS AND ESRIAU, however the users are generally local government bodies or utility authorities.

The advantages of this solution are:

- the software is produced by a local Australian company
- all functions are contained within the one package

The disadvantages of this solution are:

- the long term viability of a small company (20 staff)
- difficulties in finding experienced staff, given the smaller user base
- inability of the software to spatially register an aerial photograph.
- concerns about in-house development and customisation given that the software uses a non-industry standard programming language
- higher cost than all other tender responses

<u>Integrated Spatial Systems</u>

The ISS product rated very well in terms of both cost and compliance, however, the product did not perform to expectations at the site visit. The Company has a very small user base (only four Council sites in Sydney) and the software is based on a UK produced core GIS package.

The advantages of this solution are:

- reasonably high functionality and corresponding lower cost

The disadvantages of this solution are:

- the long term viability of a small company (3 staff)
- difficulties in finding experienced staff, given the small user base

- concerns about maintenance, support and training in both the short and long term
- concerns about ISS's ability to influence the UK software producer on enhancement and development issues
- doubts about the package's ability to perform rigorous GIS analysis

Conclusions

The tender response submitted by ESRIAU provides the most suitable solution for Council's present and future GIS requirements. The products tendered provide comprehensive functionality, with the Company having a good reputation for support and development, and maintaining a solid position in the GIS marketplace, over many years.

Whilst the ESRIAU solution involves a higher cost over the ten year period than the ISS and ERSIS solutions, it is envisaged that this cost will be more than offset by significant efficiency gains in routine tasks carried out in all Divisions throughout the organisation.

As indicated in the financial assessment the ten year net present value cost of ESRIAU is $416,305. The initial outgoing cashflow for licenses and implementation is $186,378 with maintenance and support at $30,000 - 40,000 per annum over the next 10 year period. The IT Strategic Plan allocated $100,000 to replace the GIS software in the current financial year with maintenance and support costs included in future operating expenditure. The shortfall of funding for the initial license fee, implementation and training can be provided for in the IT reserve as part of the 2001/2003 Strategic Plan.

RECOMMENDATION:

That:

1. The tender of ESRIAU for the provision of a Geographic Information System to Hawkesbury City Council, dated 1 February 2001 be accepted.

2. The Seal of Council be affixed to any necessary documentation.

ATTACHMENTS:

AT-1 Analysis of Tendered Implementation costs Over Ten Years

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end of paper