

Clause 18 in Report No. 13 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on September 24, 2015.

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Asset Planner Agreement Renewal

Committee of the Whole recommends adoption of the following recommendations contained in the report dated August 14, 2015 from the Commissioner of Community and Health Services:

1. Recommendations

It is recommended that:

1. Council authorize an extension of the agreement between the Region and Housing Services Corporation to provide Asset Planner software license, consistent with the Direct Purchase provision of the Purchasing Bylaw, for a further term of five years, expiring on January 31, 2019, at a cost not to exceed \$260,000, plus annual increases not to exceed the Consumer Price Index and applicable taxes.
2. The Commissioner of Community and Health Services be authorized to execute the agreement, on behalf of the Region.

2. Purpose

This report seeks authority for the Region to extend its current agreement under the Direct Purchase provisions of the Purchasing Bylaw with Housing Services Corporation (HSC) to provide Asset Planner software. Council approval is required because the contract exceeds \$100,000.

3. Background

Asset Planner is a web-based software used for capital planning and Asset Management analysis

Asset Planner is a web-based asset management software used for capital planning and Asset Management Analysis for all social housing properties including Housing York Inc. The Region uses Asset Planner for short-term and long-term capital planning and for reserve fund analysis for housing providers.

Currently twenty Service Managers are using this software. Using Asset Planner supports compatibility with the other Service Managers and consistency of reporting. In 2012 York Region entered into an Asset Planner Sublicense Agreement with Housing Services Corporation

In February 2012, the Region entered into a Sublicense Agreement for Asset Planner software for a three-year term valued at \$128,445.50.

The software Sublicense Agreement was not subject to the competitive procurement provisions of Purchasing Bylaw 2009-41 because it was exempt as a license of proprietary software.

The sector lacked a consistent approach to asset management. HSC evaluated Asset Planner and negotiated with Ameresco Canada Inc. to provide asset management software to be the foundation of a common approach.

HSC has an agreement with Ameresco Canada Inc., the provider of the software, to broker the service to housing service managers in Ontario. Through this relationship HSC has worked with Ameresco to tailor Asset Planner to meet the needs of Ontario's social housing sector.

York Region currently owns or administers 85 social and affordable housing complexes with over 6,500 housing units.

Asset planner is a good tool for short and long term forecasting, capital planning, needs analysis and reserve fund analysis. Asset Planner has enabled staff to generate reports addressing the Region's business needs.

In addition, Asset planner has a mobile application, iAuditor. iAuditor is available for the iPad and can be utilized to quantify needs through on-site studies and assessments. The iAuditor has an advantage over traditional pen and paper audits and has wireless connectivity to Asset Planner data.

4. Analysis and Options

York Region's Asset Planner Sublicense Agreement can be extended

The Sublicense Agreement was established in February 2012 and expired on January 31, 2015. HSC has allowed York Region to continue with the existing agreement while the Region obtains authority from Council to enter into an extension agreement. The extension required additional time because HSC was in the middle of negotiating their agreement with Ameresco to deliver the software. HCS recently confirmed the renewal rates.

Asset Planner software has been tailored to meet the needs of Ontario's social housing sector

Under the HSC Asset Planner Agreements, there are 70,500 housing units under authority of twenty Service Managers in Ontario. The bulk purchasing of the software licenses by HSC ensures better rates than could be achieved by individual Services Managers. It also provides a product tailored to social housing with industry specific support and training provided by HSC. For these reasons a direct purchase of the software from HSC is the best overall solution. Other Service Managers that are using the system include City of Toronto (Toronto Community Housing Corporation), City of Ottawa, City of Windsor, Peel Region, City of Kingston, City of Greater Sudbury, and City of Cornwall.

Extension or renewal of Asset Planner is necessary to ensure that asset management analysis is continued

Extending the Sublicense Agreement allows the Region to continue to conduct asset management functions of the housing stock, both Regionally owned and Regionally funded. Regionally owned housing is managed by Housing York Inc. These asset management functions include reserve fund analysis, short term and long term capital planning, risk-based capital planning, lifecycle cost analysis and establishing capital repair budgets for housing providers.

Asset Planner assists Housing Providers with Capital Planning

Housing Providers have been trained to use Asset Planner and have been using the system. The software provides the ability for long term capital planning and it is prudent to continue using it. Housing providers have been using Asset Planner for capital planning, budgeting and estimating.

Asset Planner Agreement Renewal

Link to key Council-approved plans

Renewing the Asset Planner sublicense is a critical component of the Social Housing Asset Management Strategy which aligns with the Region's *Official Plan*, Corporate Strategic Plan, and the Corporate Asset Management Policy.

5. Financial Implications

The costs for all licencing, maintenance, and support will be managed through the approved annual operating budget for Housing Services. The cost over five years is beneficial for meeting the Corporate Asset Management Policy scope and Region's business needs.

The five year extension is payable in annual installments for Asset planner and iAuditor as per Table 1.

Table 1
Multi-year Asset Planner Pricing

Year	Total Cost
2015	\$ 45,647.75
2016	\$ 49,033.50
2017	\$ 48,251.00
2018	\$ 49,488.50
2019	\$ 49,301.00
TOTAL	\$241,721.75

*Cost will be adjusted based on the additional units. Cost will be subject to an annual increase of no more than the annual average of Consumer Price Index.

6. Local Municipal Impact

There is no direct municipal impact.

7. Conclusion

Renewal of the Asset Planner license plays a key role in delivering various asset management and capital programs. A direct purchase of Asset Planner through HSC is the best overall solution as it provides better rates than could be achieved by individual Services Managers and provides a product tailored to social housing with industry specific support and training. Compatibility with other Service Managers is important when requesting additional funding for the housing programs from the higher levels of government.

The continued use of Asset Planner assists Housing Providers to conduct asset management analysis and provides a summary of the overall condition of the social housing stock in the Region.

The Purchasing Bylaw requires Council authorization to award direct purchases where the purchase of existing equipment, facilities or services is the paramount consideration and the total cost exceeds \$100,000.

For more information on this report, please contact Rick Farrell, General Manager, Housing Services at ext. 72091.

The Senior Management Group has reviewed this report.

August 14, 2015

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