



Town of Newmarket
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Environmental Systems Research Institute (ESRI) Software Renewal Staff Report to Council

Report Number: 2024-75

Department(s): Information Technology, Legal and Procurement Services

Author(s): Karen Reynar, Director, Legal and Procurement Services

Meeting Date: December 2, 2024

Recommendations

1. That the report entitled Environmental Systems Research Institute (“**ESRI**”) Software Renewal dated December 2, 2024, be received; and,
2. That ERSI software licensing along with related support and maintenance continue to be acquired on a non-competitive basis for the next three years from December 2024 to December 2027, at an approximate cost of \$272,566 plus HST per year; and,
3. That the Director of Information Technology and the Manager, Procurement Services be authorized to execute any agreements or documents that are necessary; and,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Purpose

The purpose of this report is to seek Council’s approval to continue to purchase ESRI on a non-competitive basis for the next three years. The approximate cost for the Town’s ESRI software licences and related support and maintenance for the next three years is \$272,566 plus HST per year.

Background

ESRI supports a wide range of Town services, including the Town’s GIS software

ESRI Canada provides a proprietary GIS software product called “ArcGIS Enterprise”, which operates on desktop, server, and mobile platforms. GIS is used for creating and using maps and geographic data in a range of applications, analyzing mapped information, sharing and discovering geographic information, and managing geographic information in a database. The system provides an infrastructure for querying, maintaining, and presenting geographic information available throughout an organization, across a community, and openly on the Web.

At the Town, GIS software is used to create, manage, enable, and integrate spatial and non-spatial data. It provides the foundational mechanism to distribute the information and data produced corporate wide by enabling applications including SOGIS (Staff Online GIS), Navigate Newmarket, Locate My Plow, Road and Sidewalk Patrol, Open Data, Stay Fire Smart, Choose Local, as well as static map products to support many Town decisions.

Council’s most recent non-competitive acquisition approval is expiring

Council last approved a non-competitive acquisition of ESRI software licenses, and annual support and maintenance in 2021. That approval was for a three-year term and is now expiring. The length of the last requested approval term (three years) aligned with the contract renewal offered by ESRI.

Discussion

Council approval is required in accordance with the Town’s Procurement Bylaw

Council approval for an additional three-year term is required because the purchase is being done non-competitively and it exceeds \$100,000, which is the administrative approval threshold for non-competitive procurements in accordance with Schedule D, Table 5 of the Town’s Procurement Bylaw 2014-27.

This non-competitive approval request is supported by the Town’s Procurement Bylaw 2014-27 and by the applicable trade treaties.

Section 13.5(iv) and Section 13.6(xii) of the Town’s Procurement By-Law 2014-27 permit the non-competitive purchase of services where it is expressly permitted by the applicable trade treaties.

Canadian Free Trade Agreement (CFTA), Chapter 5, Article 513, Paragraph (1), Section (c) and the Comprehensive Economic and Trade Agreement (CETA), Chapter 19, Article 19.12, Paragraph (1), Section C permits additional deliveries of goods or services by the original supplier if a change of supplier cannot be made for economic or technical reasons and would cause significant inconvenience or substantial duplication of costs for the procuring entity.

Certain technology products must be purchased on a non-competitive basis in order to maintain the Town's operations

It is not ideal for the Town to be dependent on any one company for its business and technical operations. That said, some non-competitive purchasing is required to maintain consistency of products in the IT environment. In this case, ESRI Software is also used by all members of the YorkInfo Partnership (The Regional Municipality of York, all local municipalities, two York Region School Boards, and two Conservation Authorities). The continued use of ESRI is therefore required not only for Newmarket's internal requirements, but to ensure Newmarket is able to fully realize the benefits of its partnerships.

Staff are diligent about ensuring the continued use of ESRI is in the best interest of the Town

Notwithstanding the many benefits of working with ESRI, Town staff are diligent about ensuring that the continued use of ESRI is in the best interest of the Town. This diligence includes continuing to ensure that the price is reasonable for the product being delivered. Staff have confirmed that the annual fees proposed by the supplier for the term to be approved are reasonable and within market.

Town staff also continue to watch the marketplace to see if any comparable products become available.

Conclusion

Staff are seeking approval for the non-competitive purchase of ESRI licensing, support and maintenance for the next three years. This will ensure business continuity for many of the Town's services that rely upon ESRI.

Business Plan and Strategic Plan Linkages

This report aligns with the Town's core value of accountability by providing transparency regarding the purchase of goods by the Town in accordance with the Town's Procurement Bylaw 2014-27 and the applicable trade treaties.

Consultation

Staff from Legal and Procurement Services, and Information Technology Services collaborated in the preparation of this report.

Human Resource Considerations

None.

Budget Impact

Sufficient funds have been allocated within approved budgets for the IT Services Department.

Attachments

None

Approval

Tracy Assis, Manager, Procurement Services

Karthik Venkataraman, Director, Information Technology

Esther Armchuk, Commissioner, Corporate Services

Contact

For more information on this report, please contact Karthik Venkataraman, Director, IT Services at kvenkataraman@newmarket.ca or 905-953-5300 ext. 2307.

If you require this document in an alternative format, please contact the Town of Newmarket at 905-895-5193