

**OneYork Governance Meeting
York Room, Town of Markham
101 Town Centre Blvd, Markham
September 14, 2005**

MINUTES

Attendance:

Karen Bates-Denney, Manager of IT, Town of Aurora
Paulla Bennett, York Region District School Board
Sandra Cartwright, Commissioner of Finance, York Region
Bob Gagne, CIO and Executive Director, York University
Bob Hollands, Elivery Solutions Inc.
Jim Jones, Regional Councillor, Town of Markham
Lucille King, Director of Corporate Services/Clerk, Town of East Gwillimbury
John Livey, CAO, Town of Markham
Bob Pachal, PACOMM Consulting Inc.
Marc Pourvahidi, Director of Finance, Deputy Treasurer, Town of Whitchurch-Stouffville
Rob Prentice, Director of Corporate Services, Town of Newmarket
John Rogers, CAO, Town of Aurora
Louis Shallal, Director of IT, York Region
Andy Taylor, Commissioner of Corporate Services, Town of Markham

1. Approval of minutes from OneYork meeting of June 29, 2005

That the minutes of the OneYork meeting held on June 29, 2005 be approved. Carried.

2. Update on Data Collection Report by Bob Pachal

Bob Pachal gave a presentation entitled "OneYork Discovery Phase Summary Report – Data Collection".

3. Extracts from Town of Richmond Hill and City of Vaughan's Council Meetings

Extracts from Town of Richmond Hill's Council Meeting of July 25, 2005 and City of Vaughan's Council Meeting of June 27, 2005 were received.

4. "An Alternate Approach for the OneYork Initiative" – Draft Copy

"An Alternative Approach for the OneYork Initiative" by Bob Gagne, was received.

5. Next Steps

- That the next step would be to engage in a process that would bring greater understanding of the possible scope, costs and structures of a broadband infrastructure project in York Region that would be available to the MUSH sector;
- And That this network be owned by this group or possibly in partnership with other commercial carriers/ utilities;
- And That the group investigate many options for connectivity including wired and wireless broadband solutions;
- And That a Terms of Reference be developed and presented to the OneYork Steering Committee;
- And That the group investigate the possibility of utilizing elements of the York Boards of Education or Region of York broadband contracts with commercial carriers;
- And That application consolidation not be considered for OneYork at this time.

6. Next Meeting

To Be Determined.



TOWN OF RICHMOND HILL

03

COMMITTEE OF THE WHOLE

July 18, 2005

SRCSD.05.37

Agenda Item 42

Corporate Services

Information Technology and Resource Services

SUBJECT: OneYork Initiative
Town of Richmond Hill (SRCSD.05.37)

PURPOSE:

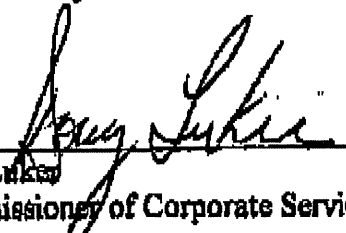
The purpose of this report is to provide an update on the OneYork Initiative and recommend against further Town staff direct participation.

RECOMMENDATION(S):

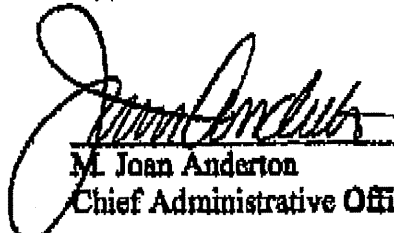
- A) That information on the current status of 'OneYork' be received, and;
- B) That the Town of Richmond Hill withdraw from further participation in the above noted initiative.

Contact: Doug Luker/Bill Joyce ext. 2485/2536

Submitted by:


P.D. Luker
Commissioner of Corporate Services

Approved by:


M. Joan Anderton
Chief Administrative Officer

SR.05.37
July 18, 2005
Page 2

BACKGROUND:

Town of Richmond Hill staff have been attending both the OneYork Governance and Regional Municipality of York e-Gov subcommittee meetings since the inception of the Markham initiative shortly after IBM's e-Government briefing September 30, 2004. Town of Markham Regional Councillor Jim Jones presented his vision of a "MUSH Public Sector Telecommunications Utility 'OneYork'" at the Region in early January 2005 as the Chair of the e-Gov subcommittee. The report included a series of proposed recommendations particular to broadband infrastructure initiatives to enable opportunities by potential partners for cost sharing. Secondly, emphasis was on the "preparation and issuance of an RFQ to select an integrator who can design, implement, and manage the OneYork vision based on the OneCleveland model". OneYork could be a single governance and operations structure for technology and telecommunications infrastructure for OneYork participants.

Regional Councillor Jones addressed Committee March 7, 2005 regarding his OneYork Fibre Community Infrastructure Proposal and shared services. Staff were to continue to review the proposal, review experiences of other municipalities that have implemented similar proposals, and review the implications of such an undertaking.

MUSH sector CIOs and IT leaders met March 1, 2005 at York University to discuss the merits of broadband technology and review other initiatives including GTANet and ORION which have fostered significant improvements in Ontario universities' abilities to share data and computing resources for highly intensive projects. It was widely accepted that potential benefits of shared broadband technology in York Region could only be calculated after a discovery of existing service, existing and future location needs, and overall requirements. Once completed, business cases could be formulated based on the need for delivery of enhanced or shared service with general ideas of costing. These comments were shared at the following Governance meeting.

In March 2005, the Town of Markham selected a consultant to create an inventory of all IT spending of existing attendees at the Governance meetings for application support, software licensing, hardware support, data and voice communications, staffing costs, etc. Their Statement of Work did not include a section on existing high speed data connectivity (fibre) infrastructure nor any future needs analysis.

Current Situation:

As of date there is marginal participation of attendees at the Governance level. Only the Town of Markham, the Town of East Gwillimbury, and the Region have supplied data to Markham's consultant. After continual requests by Town staff and other existing participants, OneYork's project scope remains unclear. The discovery process of fibre existence has been declared 'out of scope' until an undetermined time. Focus has been on existing core services with no discussion on future needs including detailed discussion on how to improve any level of service to our residents. Financial impact is unclear. Business cases do not exist.

Although there has been significant funding to IBM and Cisco Systems via the OneCleveland project, staff are unaware of any municipal applications running on the infrastructure within Greater Cleveland, Ohio.

SR.05.37
July 18, 2005
Page 3

FINANCIAL/STAFFING/OTHER IMPLICATIONS:

There is no financial impact from the recommendations of this report.

RELATIONSHIP TO THE STRATEGIC PLAN:

This initiative is a demonstration of innovative and responsible municipal management. By corporately deploying solutions and applications within our current capabilities and budget limits, the Town will ensure continued managed and secure access to a client centric applications and technology thereby providing for consistent levels of service which in turn supports goals in the provision of effective and efficient services to our internal and external clients. Keeping apprised of potential improvements of service delivery at same or lower costs is a continuous mandate including the possibilities of utilization of shared service options.

CONCLUSION:

Having considered the governance, technical, business practices used to date, and resource commitments required to proceed, staff conclude that participating in OneYork at this time assumes a high degree of associated risk with no solid beneficial results for the corporation.

An Alternate Approach for the OneYork Initiative.

Bob Gagne – York University, July 20, 2005

Background –

The vision for OneYork, has been stated to be "to connect, enable, and transform". It is believed that inexpensive, widespread network connectivity, based on optical networks, will:

- Enable the development of new products, applications and tools to be used by the Region's municipalities, education, research, health care and other non-profit organizations to improve and expand their services to the community.
- Transform the way we live by fostering expanded collaborations, increasing utilization of existing resources, modernizing key architecture, and by encouraging innovation, investment and economic opportunities.¹

In a recent issue (May 2005) of *Broadband Properties* magazine, a writer summarizes a similar potential municipal motivation for involvement in advancing broadband networks:

Availability of broadband services impact local economies in a range of ways. The impact may be direct, by encouraging investment by firms that rely on sophisticated communications technology in their day-to-day business, or it may be indirect, by enhancing the educational, technological and worldly sophistication of residents, and thus creating a pool of potential workers for new corporate residents.²

As well as been a topic of discussion and research, broadband networks a significant number of real initiatives are in place across the North America and indeed around the world. In a recent survey³ of community-based networks in Ontario, 40 different organizations completed questionnaires, reporting some level of community connectivity.

Among the primary drivers for these regional broadband initiatives include:

- Research and education (e.g. GTAnet, ORION.)
- Interconnection of multiple sites of the same organization.
- Interconnection of different organizations to reduce communications costs, engage in shared or cooperative ventures and/or aggregated Internet access (e.g. OneCleveland, Larg*net, Region of Peel Public Service Network, Niagara Regional Broadband Network) – see examples on page 3.
- Business and/or social development – enhancing the environment for business and citizens in a city or region (i.e., Fibre to the business (FTTB) and Fibre to the home (FTTH) initiatives, community wireless initiatives).

The vision for OneYork appears to encompass all of these drivers to some degree, speaking to the widespread benefit and shared dependency upon the existence of a

¹ York Region, eGovernment Presentation, December 2, 2004

² "The Case for Municipal Broadband", *Broadband Properties*, May 2005-07-19
<http://www.broadbandproperties.com/2005issues/may05issues/may2005.htm>

³ CBN/Public Sector Phase II Pilot Projects – Network Inventory Survey Final Report, April 14, 2005

communications/connectivity infrastructure. This shared dependency also introduces the challenge that no single opportunity is, by itself, going to be able to justify the cost of the infrastructure. This is the common conundrum of shared, enabling infrastructure – it will ultimately support a broad range of diverse and often unimagined initiatives making the development of an a priori business case very difficult.

This ambiguity leaves the decision to pursue an initiative to the good judgment of leaders based on their best understanding of future risks and benefits.

Proposed Next Steps for OneYork -

The existence of opportunities to leverage broadband networks in York Region seem apparent though the future value of the potential benefits are very difficult to quantify in their totality. Any initiative to advance the development of the infrastructure then carries some risk. Risks may also arise from inaction – will the region's competitiveness be affected by the lack of a broadband infrastructure?

At the core of a next step for OneYork should be a project to understand the magnitude of the potential risk of the initiative and the measures that might be taken to reduce the risk to a level that aligns with apparent benefits. Risk arises primarily from the scope of the project (how widespread would the network be?) and the related costs. This risk can be reduced by adjusting the scope of the project or by working within a "partnership" framework that spreads the risk.

In actionable terms then this next step would be to engage in a process that would bring greater understanding of the possible scope, costs and structures for a broadband infrastructure project in York Region.

Project Description –

The existing public sector participants in York Region will engage in several parallel information-gathering initiatives:

1. Review of existing regional network initiatives in Ontario, particularly municipal networks to understand the nature of the partners, the drivers, governance, ownership etc., as well as the competitive position of the region.
2. Engage in an exercise to understand some of the costs and challenges to building and operating broadband networks in order to document the possible strengths that the public sector organizations in York Region might bring to a partnership arrangement (e.g. access to rights of way).
3. RFI to elicit interest and information on the costs and alternatives "routes" (e.g. fibre build, lease existing fibre) to developing an extended broadband infrastructure in the region, nominally based on the need to create a "backbone" network to connect all of the prospective participants.

On the basis of the information gathering process define a scope and goals for an initiative and issue one or more RFPs for the network development and related goods and services.

Examples of Regional Network Efforts -

Region of Peel PSN

The fibre optic network, labelled the Public Sector Network (PSN), involves the effort of the four municipal agencies operating within the Region of Peel (Mississauga, Brampton, Caledon and the Region of Peel) as well as other public sector organizations in the Region such as hospitals, libraries and educational institutions. Through years of planning and collaboration, a communications infrastructure capable of providing cost effective, high-speed telecommunications has been developed.

Established in 1996, the network is designed to meet the Region's growing need to provide an instant flow of data communications between facilities across Mississauga, Brampton and Caledon. In addition to providing operational connectivity between facilities, the PSN is positioned to provide opportunities for additional sites to be added to the network.

The PSN project now has over 350 kms of fibre optics cable (17,000 strand kms) in place and 200 facilities connected to the network. It is anticipated that another 50 to 60 additional facilities will be added to the network over the next three years.

Niagara Regional Broadband Network

NRBN is providing fibre optic broadband access for both public and private sector customers in the Niagara Region. Niagara Regional Broadband Network Limited has recently started to connect some of the 254 municipal sites across the Region. Customers include the Region of Niagara; Niagara Health System; District School Board of Niagara; Niagara Catholic District School Board; Niagara College and St. Catharines Public Library. NRBN is investing over \$15 million to build a "state of the art" broadband fibre optic network.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2005

Item 6, CW Report No. 42 – Page 3

Attachments

None

Report prepared by:

Dimitri Yampolsky, Chief Information Officer (CIO)

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2005

Item 6, Report No. 42, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on June 27, 2005.

6

PARTICIPATION IN "ONEYORK" INITIATIVE

The Committee of the Whole recommends that Clauses 1 and 2 of the recommendation contained in the following report of the City Manager and the Commissioner of Economic/Technology Development and Communications, dated June 20, 2005, be approved:

Recommendation

The City Manager and the Commissioner of Economic/Technology Development and Communications, in consultation with the Chief Information Officer, recommend:

1. That the City of Vaughan does not participate in the OneYork initiative at this time; and
2. That staff continue to monitor the establishment of OneYork organization and its progress; and
3. That when available, future OneYork services be considered as required, and be evaluated and acquired in accordance with the City's purchasing policies.

Economic Impact

There is no immediate economic impact resulting from the recommendations of this report.

Purpose

The purpose of this report is to update Council on the purpose and status of OneYork initiative, and to provide Council with staff recommendations in respect to OneYork.

Background - Analysis and Options

In 2004, the Regional Municipality of York Council established an e-Government Sub-committee with the purpose to review the municipality's Information Technology (IT) initiatives and make related recommendations to Regional Council. Regional Councillor Jim Jones was named as Chair of the e-Government Sub-committee. On March 31, 2005, Regional Council approved an e-Government Sub-committee recommendation to start a OneYork initiative.

The purpose of OneYork initiative is to create a single governance and operations structure for technology and telecommunications infrastructure for OneYork participants. The targeted participants are local municipalities, universities, schools, hospitals and libraries in York Region. The rationale for OneYork is based on the assumption that pooling participants' resources and operating the shared technology and telecommunications infrastructure at "no profit", will make a positive impact on the overall cost of IT operations for the participants, as well as enable some participants to benefit from certain technology and telecommunications solutions that they could not afford on their own.

On February 15, 2005, Regional Councillor Jim Jones presented the rationale for OneYork initiative to the City of Vaughan Committee of the Whole (Working Session). On February 28, 2005, City of Vaughan Council directed the City Manager to consider the presentation made by Regional Councillor Jim Jones and to prepare an appropriate response following the area Chief Administrative Officers' (CAOs) consideration of this matter.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2005Item 6, CW Report No. 42 – Page 2

The area CAO's (or designates) met on several occasions to discuss the OneYork initiative and to develop a governance framework for future OneYork activities. In addition to the CAO's meetings, several meetings were held between OneYork potential participants' IT leaders to consider technology opportunities and potential impact to each participant's organization that would result from the OneYork initiative.

Based on the governance and technical discussions that took place, the following factors have influenced staff recommendations that are presented in this report:

- The scope, mandate and specific deliverables of OneYork initiative are unclear and inconsistent;
- The financial impact to each OneYork participant is undefined;
- The specific benefits to each OneYork participant are undefined;
- Other than a concept worthy of future perusal, there is no justifiable business case for OneYork;
- This is a grand-scale initiative which will require a considerable commitment of staff time and future funding;
- OneYork participants with well-established technology/telecommunications infrastructure and IT practices will be held back by other participants who need to evolve their IT environments;
- The City's current technology and telecommunications requirements are adequately addressed;

Having considered strategic, governance, technical, logistic, financial and resources aspects of OneYork initiative, staff concluded that this is a high risk initiative with little potential value to the City of Vaughan. Therefore, the City of Vaughan should not participate in this initiative at this time.

Should OneYork initiative result in the creation of a viable business venture that offers competitive services and/or products, the City of Vaughan should consider those services in accordance with the City's purchasing policies.

Relationship to Vaughan Vision 2007

The recommendations of this report are consistent with priorities previously set by Council.

Conclusion

Having considered strategic, governance, technical, logistic, financial and resources aspects of OneYork initiative, staff concluded that this is a high risk initiative with little potential value to the City of Vaughan. Therefore, the City of Vaughan should not participate in this initiative at this time.

Should OneYork initiative result in the creation of a viable business venture that offers competitive services and/or products, the City of Vaughan should consider those services in accordance with the City's purchasing policies.

**EXTRACT FROM COUNCIL MEETING
C#35-05 HELD JULY 25, 2005
CONFIRMATORY BY-LAW NO. 148-05**

2.0 Minutes - Committee of the Whole meeting CW#13-05 of July 18, 2005

2.37 OneYork Initiative - Town of Richmond Hill - (SRCSD.05.37) - (Item No. 42)

- Rec. 41**
- a) That information on the current status of 'OneYork' be received;
 - b) That the Town of Richmond Hill withdraw from further participation in the above noted initiative.