Agenda – Executive Policy Committee – January 20, 2026

REPORTS

Item No. 4 Single Source Negotiation and Award of Contract to Oracle Canada ULC for PeopleSoft Licensing, Support, and Maintenance

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That a Single Source contract for the provision of PeopleSoft licensing, support, and maintenance with Oracle be approved for the period of one year from February 28, 2026, to February 27, 2027, at an estimated cost of $3,096,625.51, MRST and GST extra, as applicable, pursuant to B4.1(f) of the Purchasing Policy where the compatibility of a purchase with existing facilities, equipment or services is the paramount consideration and that supply is available only from a single supplier.

2. That, subject to the approval of Recommendation 1, the City enter into, execute, deliver, and approve a contract with Oracle for one year from February 28, 2026 to February 27, 2027, at an estimated cost of $3,096,625.51, MRST and GST extra, as applicable.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: Single Source Negotiation and Award of Contract to Oracle Canada ULC for PeopleSoft Licensing, Support, and Maintenance

Critical Path: Executive Policy Committee

AUTHORIZATION

Author	Department Head	CFO	CFO
T. Herntier	M. Walczak	T. Graham	J. Dunford

EXECUTIVE SUMMARY

This report is seeking approval of a single source negotiation and award a contract to Oracle Canada ULC ("Oracle") for PeopleSoft. This contract covers the licensing, support, and maintenance for one year from the estimated start date of February 28, 2026, to February 27, 2027. There is an option of nine mutually agreed upon one-year extensions. This contract is for $3,096,625.51 (MRST and GST extra). The money will come from the approved 2026 Capital ($2,538,217.64) and Operating Budget ($558,407.87). The new contract is estimated to save between $85,000 and $340,000 every year. This is based on bi-annual license fee projections. The total estimated savings would be $1,600,000 over the length of the contract.

The City's supporting infrastructure has aged to the point that an upgrade needs to be planned. PeopleSoft support and maintenance ensures that the system is stable and is available for the provision of critical services such as purchasing, paying vendors, and paying employees. Oracle is the only vendor that can provide certified support on upgraded infrastructure.

This request for approval for a single source procurement is pursuant to B4.1(f) of the Purchasing Policy where the compatibility of a purchase with existing facilities, equipment or services is the paramount consideration. The recommendations of this report are compliant with the Purchasing Policy and applicable trade agreements. Further detail is included in the History/Discussion.

RECOMMENDATIONS

1. That a Single Source contract for the provision of PeopleSoft licensing, support, and maintenance with Oracle be approved for the period of one year from February 28, 2026, to February 27, 2027, at an estimated cost of $3,096,625.51, MRST and GST extra, as applicable, pursuant to B4.1(f) of the Purchasing Policy where the compatibility of a purchase with existing facilities, equipment or services is the paramount consideration and that supply is available only from a single supplier.

2. That, subject to the approval of Recommendation 1, the City enter into, execute, deliver, and approve a contract with Oracle for one year from February 28, 2026 to February 27, 2027, at an estimated cost of $3,096,625.51, MRST and GST extra, as applicable.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Executive Policy Committee has the delegated authority to approve Single Source negotiations, exceeding $1 million, pursuant to Administrative Standard FM-002.

IMPLICATIONS OF THE RECOMMENDATIONS

Funding is included in the 2026 Capital Budget Submission (Digital Operations Platform Program) and the 2026 Operating Budget Submission for the Innovation and Technology Department. The capital and operating budget are pending adoption as of the writing of this report.

HISTORY/DISCUSSION

In 2002, under the auspices of the Connexus Project, the City purchased multiple PeopleSoft application modules via a public tendering process to perform a wide variety of administrative functions, including Financial, Purchasing, Inventory, Budgeting, Human Resources, and Payroll. From June 19, 2002, to June 18, 2020, the City maintained continuous support for the PeopleSoft suite of applications through first a five-year, then a threee-year, and finally nine one-year contracts with Oracle. PeopleSoft annual support costs exceeded $1 million per year for the final year of support.

With the maturing of third-party PeopleSoft support options, combined with new multi-year budget realities, in 2020, the City issued a Request for Proposal (RFP 15-2020) to procure PeopleSoft support services and selected Rimini Street, Inc. as the most advantageous vendor. From June 19, 2020, to now, with a contract expiration date of June 18, 2026, the City has maintained continuous support with Rimini Street, Inc. through five one-year contracts. Rimini Street, Inc. has announced that they are withdrawing from the PeopleSoft support market and winding down all their PeopleSoft support contracts, with the City's contract expiring June 18, 2026.

IT for Corporate Services has explored various solutions to meet the support and maintenance needs of the PeopleSoft suite of software applications. It has determined that only Oracle fulfills the platform's requirements and pursuant to B4.1(f) of the Purchasing Policy where the compatibility of a purchase with existing facilities, equipment or services is the paramount consideration, Oracle is the only vendor that meets the compatibility requirement.

The concrete reasons for compatibility are as follows:

- Since transitioning away from Oracle PeopleSoft support, the City's infrastructure (i.e. Server Windows Operating System) has aged and needs upgrading to minimize the risk of security vulnerabilities. Oracle is the only vendor that can provide certified support on

upgraded infrastructure. Only Oracle owns the PeopleSoft source code that has been regression tested across the full stack of upgraded infrastructure to certify compatibility.
- Oracle is the only vendor that can provide continuous delivery of critical security and/or bug fixes to the City's PeopleSoft applications. Critical security/bug fixes can surface at any time.
- Only Oracle owns the PeopleSoft source code and has the tools and the ability to develop security updates for the products licensed by the City.

Alternate solutions to Oracle would be disadvantageous because:
- The City will be open to cyber vulnerabilities that may seriously impact its provision of critical services such as purchasing, paying vendors, and paying employees.
- The City will not be able to keep its supporting infrastructure up to date with the latest technology, making it less secure and reliable, increasing the risk of major issues.
- Alternate providers cannot develop adequate software security patches because they do not have access to the relevant PeopleSoft source code.
- Alternate providers may be limited in their ability to provide support due to specific copyright provisions contained in Oracle's licenses.

To go back on Oracle support, the City is required to buy back licenses and pay an annual percentage of the cost of licenses for support. Oracle has provided a quote to re-purchase licenses at $2,538,217.64 with a $558,407.87 annual support cost. (22 percent of License Costs). The new contract is estimated to save between $85,000 and $340,000 annually (based on bi-annual license fee projections), with total estimated savings of $1,600,000 over the term of the contract.

The proposal has the following advantages:
- The City has assurances from Oracle with respect to the escalator clause in the support costs 0 percent for two years, and then 2 percent for two years and Oracle's standard uplift rate, currently at 8 percent, after that.
- Under the City's current PeopleSoft contract, which is under Oracle pursuant to an acquisition of PeopleSoft by Oracle in 2005, Oracle verifies the City holds the appropriate licenses for PeopleSoft through an annual License Verification Form (LVF). The City's license requirements increase when the City exceeds a financial threshold of an increase in operating budget of $90 million or an employee count threshold of 800. Exceeding the financial threshold incurs an additional license cost of $188,767, along with approximately $20,764 in support fees payable to the third-party support vendor. The City estimates that the financial threshold will be exceeded every two years. The City has successfully negotiated the removal of this financial threshold in the new agreement. Under the new proposal, the City's license obligations would only increase if the overall employee count increased by 10 percent.
- The City would have access to more reliable technical support to deliver critical enhancements and tax updates for payroll.
- The City has successfully negotiated licenses for Oracle's Hyperion budgeting application in the new agreement. A thorough evaluation of budgeting solutions would be required; but securing these licenses increases flexibility for potential future use.
- The City would have access to "PUM" updates, that are regularly provided upgrades/enhancements that Oracle does for their support clients. There are many additional features in both Finance and HR that can be made available by getting these updates. Key functionality gains include:

- More efficient, modern user experience frameworks including WorkCenters, Activity Guides, and Dashboards.
- Financial Management improvements including ARO Updates, Period Month End Visualization, Month End Period Close Optimization, GL Commitment Control WorkCenters, and Match Exception Collaboration Center.
- Significant improvements to Performance Management and Reviews including a configurable Generational Workforce framework, enhanced user experience, mobile capabilities, voice typing, frequent check-ins, recognition, 360 feedback, page and field configuration capabilities and the addition of attachment framework.
- Position Management Insights on positions that are vacant, partially filled, overallocated, and approved vs. frozen positions.

This request is for a single source procurement and is pursuant to B4.1(f) of the Purchasing Policy; specifically, "the compatibility of a supply with existing property or services is the paramount consideration and that supply is available only from a single supplier". Oracle is the owner and operator of PeopleSoft software and is the only entity that has the capacity to license, upgrade and maintain the software at the capacity required by the City.

The recommendations of this report are also compliant with the applicable trade agreements. This procurement is subject to the New West Partnership Trade Agreement ("NWPTA"), which incorporates the requirements of the Canadian Free Trade Agreement ("CFTA"). CFTA Article 513(1)(b)(v), which states that a public entity can use limited tendering:

> *if the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:*
>
> > *to ensure compatibility with existing goods, or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative;*

An equivalent exception is provided in NWPTA Part V, Section C, Clause 2.(g). As noted above, PeopleSoft is owned and operated by Oracle Canada ULC, which is the only supplier of the software and will provide the City with the most secure support and maintenance services.

This procurement is also subject to the Comprehensive Economic and Trade Agreement between Canada and the European Union (2016) ("CETA"), and the Canada-UK Continuity Agreement ("CA-UK TCA"), which contains the same provisions as CETA. CETA states that a public entity may engage in a single source procurement:

c. for additional deliveries by the original supplier of goods or services that were not included in the initial procurement if a change of supplier for such additional goods or services:

i. cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and

ii. would cause significant inconvenience or substantial duplication of costs for the procuring entity;

This request is for the approval of licensing, support, and maintenance fees for the period of one year.

The following represents the details of the contract:

License Program fees	$2,538,217.64
Support and Maintenance (Year 1)	$558,407.87
Total	**$3,096,625.51***

* MRST and GST extra

IT for Corporate Services has reviewed the proposal and is satisfied that the vendor has the capacity and experience to successfully fulfill the software license and services requirements. In addition, the Oracle provided PeopleSoft support cost is aligned with industry standard application support costs (22 percent of license cost plus nominal annual increases).

The Contract Administrator is satisfied that Oracle has the necessary experience and resources to perform the work of the contract satisfactorily.

This IT expenditure has been approved by the Manager of IT for Corporate Services.

The City intends to issue a purchase order for this contract.

Cost Benefit Analysis

The benefit of procuring this contract under a single source procurement outweighs the solicitation of a competitive offer as Oracle is the only company that owns, and licenses PeopleSoft and it is beneficial to ensure compatibility with existing PeopleSoft software that the City currently uses. The compatibility of the upgraded supply with existing services is the paramount consideration and that licenses are available only from a single supplier.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 5, 2025

Project Name:

First Year of Program **2026**

938-2025 Single Source Negotiation and Award of Contract to Oracle Canada ULC for PeopleSoft licensing, support, and maintenance

	2026	2027	2028	2029	2030
Capital					
Capital Expenditures Required	$ 2,330,013	$ 440,198	$ -	$ -	$ -
Less: Existing Budgeted Costs	2,330,013	440,198	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 502,552	$ 94,945	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	45,687	8,631	-	-	-
Net Cost/(Benefit)	$ 456,865	$ 86,313	$ -	$ -	$ -
Less: Existing Budget Amounts	456,865	86,313	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital and direct costs above represents the contract with Oracle Canada ULC for PeopleSoft licensing, support, and maintenance from February 28, 2026 to February 27, 2027, for $3,096,625.51 plus MRST and corporate interest. This covers the initial period of one (1) year from the estimated start date, with the option of nine (9) mutually agreed upon one (1) year extensions.

Funding is included in the 2026 Capital Budget Submission (Digital Operations Platform Program) and the 2026 Operating Budget Submission for the Innovation and Technology Department. The capital and operating budget are pending adoption. With the adoption of the 2026 Digital Operations Platform Program, Council authorizes a first charge in 2026 prior to the adoption of the 2027 Digital Operations Platform Program.

Randy Bernard

Randy Bernard, CPA
Manager of Finance & Administration (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

- Corporate Finance
- Legal Services Department

OURWINNIPEG POLICY ALIGNMENT

01-3 Prosperity
Direction 1: Provide Efficient and Focused Civic Administration and Governance
>Demonstrate accountability through service performance measurement and reporting.
>Support a competent, productive and healthy workforce through strategic human resource planning that promotes flexible human resource systems, invests in human resource development and is based on values of equity, diversity, innovation and accountability.
>Make investments in technology strategically, based on sound business decisions and promoting integration and data-sharing where appropriate

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (WCAP), and it was determined that the WCAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Innovation & Technology Department
Division: Innovation & Technology for Corporate Services
Prepared by: M. Maloway
Date: November 7, 2025

Attachment:

Oracle Ordering Document