

NO: R110

COUNCIL DATE: June 10, 2024

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **June 6, 2024**
FROM: **General Manager, Corporate Services** FILE: **1355-60**
SUBJECT: **Award of Contract for Cisco Unified Computing System Blade Server Replacement**

RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Award Contract No. 1220-040-2024-024 to Compugen Inc. (“Compugen”) for the total amount of \$715,000.00 (including GST & PST) for the supply, delivery and implementation of the Cisco Unified Computing System (“UCS”) Blade Server Hardware.
2. Set the expenditure authorization limit for Contract No. 1220-040-2024-024 in the amount of \$801,000.00 (including contingency & applicable taxes); and
3. Authorize the General Manager, Corporate Services to execute Contract No. 1220-040-2024-024 and approve all payments up to the expenditure authorization limit.

INTENT

The purpose of this report is to obtain Council’s approval to award Contract No. 1220-040-2024-024 (the “Contract”) to Compugen for the supply, delivery and implementation of the new Cisco UCS Blade Server Hardware as described in this report.

BACKGROUND

Cisco UCS servers play a vital role in supporting the City's IT infrastructure, hosting essential system and data files for key business applications such as Human Capital Management (Peoplesoft), Financial Management System (Agresso), and the City’s intranet system (SharePoint). These servers are in the City Hall datacenter and operate continuously to ensure uninterrupted service.

Currently, there are 20 Cisco UCS servers that are approaching their End Of Support (“EOS”) date as specified by the manufacturer. It is crucial to replace these servers before reaching the EOS date because the vendor will not provide support or security updates for the hardware thereafter. Consequently, should any issues arise with either the servers or any of the software dependent on these servers, the City will not be able to rely on the vendor for assistance in the event of detecting a cybersecurity vulnerability. Without vendor support, the City will not receive the necessary patches to eliminate such vulnerabilities, putting City systems at risk.

DISCUSSION

Procurement Process

In April 2024, Request for Quotations 1220-040-2024-024 (the “RFQ”) was issued for the supply, delivery & implementation of Cisco UCS Blade Server Hardware to replace the EOS servers used in the City datacentre. The City received one response to the RFQ by May 16, 2024. Two vendors who responded to a similar RFQ in 2023 were contacted about this RFQ but declined to respond and have provided emails explaining their decision.

Evaluation

The response was reviewed by an evaluation team comprised of staff from the Information Technology Division. The following evaluation criteria were considered for the proponent:

- Management (experience, reputation, capacity and resources);
- Technical (project understanding, review of submitted solution, methodology, quality, and key personnel); and
- Financial (review of total cost based on the scope of the project).

The table below shows the costs of the submission:

Supplier	Cost for equipment supply (Incl GST & PST)
Compugen Inc.	\$ 715,000.00

Based on the above criteria, the evaluation team has determined that Compugen is the successful proponent as they have quoted a price that is within the projected budget for supply, delivery and implementation of the new Cisco equipment. Compugen has also successfully completed several Information Technology projects for the City in the past, including the supply, delivery, and implementation of CISCO UCS Blade Server Hardware as described in this report.

FUNDING

Funding for the Contract is available in the 2024 Corporate Services Department capital budget.

LEGAL SERVICES REVIEW

This report has been reviewed by Legal Services.

CONCLUSION

It is recommended that Council approve the award of the contract to Compugen for the supply and delivery of the Cisco UCS Blade Server Replacement Hardware in the amount of \$801,000.00 (including contingency & applicable taxes) and authorize the General Manager, Corporate Services to execute the Contract with Compugen.

Joey Brar
General Manager, Corporate Services