

NO: **R180**

COUNCIL DATE: **July 23, 2012**

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## **REGULAR COUNCIL**

TO: **Mayor & Council**

DATE: **July 19, 2012**

FROM: **General Manager, Finance & Technology**

FILE: **1355-01**

SUBJECT: **Contract for the Purchase of Computer Equipment and Related Services**

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## **RECOMMENDATION**

The Finance and Technology Department recommends that Council approve a contract with Dell Canada Inc. for the supply of computer equipment and related services for a two-year term with an option in favour of the City to renew the contract for each of two further one-year terms all subject to the terms and conditions as generally described in this report.

## **BACKGROUND**

In February 2011, Metro Vancouver released a Request For Proposals (RFP) for the supply and delivery of computer equipment on an "as and when required" basis. Metro Vancouver requested that the pricing, terms and conditions of the proposal be made available to other government agencies.

On April 12, 2011, Metro Vancouver awarded a contract to Dell Canada Inc. for the supply of computer equipment and related services for MV. The terms and conditions of this contract including pricing are available to Regional municipalities including Surrey. The scope of the equipment covered by the contract includes computer workstations, monitors, laptops, tablets, handheld devices, printers, servers, storage solutions, digital projectors, and components such as memory and storage drives. It also includes related services such as configuration and warranty management services, consultative services and support services.

## **DISCUSSION**

The City's computer and server replacement program is focused on keeping the City's computer hardware up to date in a cost effective manner. It ensures that the City systems are performing at reasonable levels and to industry standards.

Staff has been in negotiations with Dell Canada Inc. for the supply of computer equipment and related services for Surrey based on the pricing in the MV contract. An evaluation process has confirmed that the City would benefit from:

- Guaranteed significant pricing discounts based on economies of scale established through the Metro Vancouver contract;
- Standardization of equipment and replacement parts;
- Electronic, online order management and product support;
- Stable high quality ongoing support and repair; and
- Reduced regression testing requirements for hardware and software implementations.

On this basis staff is proposing that Surrey “piggy back” on the Metro Vancouver contract with Dell Canada Inc. The contract offers a fixed price discount per unit against published commercial rates for each of the following components:

- Desktop PC;
- Workstation PC;
- Laptop PC;
- Computer Displays; and
- Servers.

Based on current projections for computer hardware purchases and the unit prices in the contract, the City would spend an average of approximately \$1.25 million per year in each of the first two years of the contract. The contract has no minimum purchase requirement. The price discount per unit for each of the various components covered by the contract will remain constant through the contract and the option years should the City choose to extend the contract through one or both of the option years.

**Funding:**

Funding is available within the approved Five Year (2012-2016) Financial Plan to support computer hardware purchases under the subject contract.

**SUSTAINABILITY CONSIDERATIONS**

The recommendations of this report will assist in achieving the objectives of the City’s Sustainability Charter; more particularly action item EC1: “Corporate Economic Sustainability” that focuses on ensuring the City’s resources are used efficiently and responsibly.

**CONCLUSION**

Based on the above discussion, it is recommended that Council approve a contract with Dell Canada Inc. for the supply of computer equipment and related services for a two-year term with an option in favour of the City to renew the contract for each of two further one-year terms all subject to the terms and conditions as generally described in this report.

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