

**TO:** MAYOR & COUNCIL  
**FROM:** DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER  
**SUBJECT:** **CI - SUPPLY, DELIVERY AND MAINTENANCE COMPUTER HARDWARE**  
**PURPOSE:** To obtain Council approval to award a Contract Increase (CI) for additional supply, delivery and maintenance computer hardware.

### **RECOMMENDATION**

**THAT** a contract increase to Microserve Business Computer Services (“Microserve”) for an estimated cost of \$415,694 including GST and PST in the amount of \$44,539, as outlined in the August 28, 2023, Council Report titled “CI – Supply, Delivery and Maintenance Computer Hardware” be approved; and

**THAT** final payment will be based on the actual quantity of goods and services delivered and unit prices as tendered.

### **CHIEF ADMINISTRATIVE OFFICER’S COMMENTS**

I concur with the recommendation of the Deputy Chief Administrative Officer and Chief Financial Officer.

#### **1.0 POLICY SECTION**

The City’s Change Order Policy requires Council’s approval for change orders, which individually or when accumulated with prior change orders, increase the total value of the contract by \$1,000,000.

#### **2.0 BACKGROUND**

The City’s IT department manages all computer servers and desktops at over 62 different locations throughout the City.

The City also requires on-site maintenance services and secure disposal of decommissioned hardware.

**3.0 GENERAL INFORMATION**

On December 7, 2020, the City awarded a contract to Microserve Business Computer Services (“Microserve”) in the amount of \$1,596,100 including GST and PST in the amount of \$171,011 for the supply, delivery and maintenance of computer hardware and services.

Since the award of this contract, there has been approved change orders for a total of \$925,650 including GST and PST in the amount of \$99,176.79 for additional hardware and maintenance requirements for the desktop replacement program and other capital initiatives.

The Information Technology Department has completed an assessment of the resources needed by the City. This recommendation is for an addition to the contract in the amount of \$415,694 including GST and PST in the amount of \$44,539 to cover outstanding commitments and anticipated spend till the end of 2023. This contract update is recommended to fulfill the City’s computer hardware and service requirements to the end of the first contract period, expiring December 31, 2023. This change results from inflation, increase in staff and hardware purchases made for capital initiatives such as PRISM, golf system upgrade, CAD upgrade, mobile app for common citizen, business license and anniversary billing, infrastructure appliances, operating peripherals and servers.

The total revised contract value will be \$2,937,444 including GST and PST in the amount of \$314,727.

<b>Contract History</b>	<b>Date</b>	<b>Accumulative Total Change (including GST and PST)</b>
<b>Original Contract Award</b>	<b>December 2020</b>	<b>\$1,596,100</b>
Previous Change Orders	September 2022	\$680,695
Previous Change Orders	October 2022 – July 2023	\$244,956
Change Order – Contract Additions	Pending	\$415,694
<b>TOTAL</b>		<b>\$ 2,937,445</b>

City staff have reviewed the change orders and believe they appropriately address the City’s needs at a fair cost. The Chief Information Officer concurs with this recommendation.

**4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT**

The RFP #253-12/19 Supply, Delivery, and Maintenance of Computer Hardware and Services (Attachment 1) was publicly advertised. Upon closing, the City received a total of four submissions.

**5.0 FINANCIAL CONSIDERATIONS**

Funding for this work is provided in the 2023 – 2027 Financial Plan under various capital projects and departmental operating budgets.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

**ATTACHMENTS**

Attachment 1 – RFP #253-12/19

**REPORT CONTRIBUTORS**

This report was prepared by Frank Wang, Senior Buyer, and reviewed by Sophan Lum, Assistant Manager, Purchasing – Capital.