

TO: MAYOR & COUNCILLORS
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CE - CISCO ACI AND NETWORK HARDWARE**
PURPOSE: To obtain Council approval to award a Contract Extension (CE) for Cisco Application Centric Infrastructure (ACI) and Network Hardware equipment.

RECOMMENDATION

THAT a four-year contract extension to Compugen Inc. for an estimated total cost of \$3,374,473 including GST and PST in the amount of \$361,551 as outlined in Council Report titled “CE – Cisco ACI and Network Hardware” dated for June 10, 2024, be approved; and

THAT final payment will be based on the actual quantity of goods and services delivered and unit rates as quoted.

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, increases the total value of the contract by \$1,000,000.

2.0 BACKGROUND

On July 4, 2023, the City awarded a contract to Compugen Inc. for Cisco ACI and Network Hardware along with any support and license subscriptions, for an estimated value of \$848,348 including GST and PST in the amount of \$90,895.

The contract is for the period from July 4, 2023 to July 3, 2024, with options of up to four individual one-year extensions at the discretion of the City. The work of this contract involves supplying Cisco hardware, support, and license subscriptions.

3.0 GENERAL INFORMATION

This recommendation is for a four-year contract extension for the period July 4, 2024 to July 3, 2028 for an estimated cost of \$3,374,473 including GST and PST in the amount of \$361,551. The total estimated contract value will be \$4,222,821 including GST and PST in the amount of \$452,446. The contract extension is required for equipment for phone maintenance, wireless expansion, network virtualization, security network infrastructure, new facilities connections as forecasted by Lands and Facilities as well as forecasted City growth required on network infrastructure. This contract extension is to sustain and maintain current infrastructure expansion projects. By leveraging a four-year contract extension, the City will be able to lower administrative overhead, and provide more flexibility as the City’s needs change with the expected construction of new civic buildings.

Contract History	Term	Accumulative Total Change (including GST and PST)
Original Contract Award	July 2023 – July 2024	\$ 848,348
Contract Extensions (Year 2 to 5)	Pending	\$ 3,374,473
TOTAL		\$ 4,222,821

City staff have reviewed the proposed extension and believes it appropriately addresses the City’s needs at a fair cost. The Chief Information Officer concurs with this recommendation.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

The RFQ #114-04-23 (Attachment 1) was publicly advertised. Upon closing, the City received a total of three submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for this capital work is included in the 2024 – 2028 Financial Plan for Information Technology under various capital accounts.

Respectfully submitted,

Noreen Kassam

Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – RFQ #114-04-23

REPORT CONTRIBUTORS

This report was prepared by Scott Lovas, Assistant Manager Purchasing, and reviewed by Sophan Lum, Senior Manager Purchasing – Capital.