

**TO:** MAYOR & COUNCILLORS  
**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 \$388,070 including GST and PST in the amount of \$41,578 as outlined in the Council report titled “CI – Supply, Delivery and Maintenance Computer Hardware” dated for July 8, 2024 be approved; and,

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

## **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, desktops and laptops 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**

The City selected Microserve Business Computer Services as the lowest bidder to provide and maintain computer hardware and services for an initial three-year term with options for extensions.

The contract amount was \$1,596,100 including GST and PST of \$171,011 and it was awarded on December 7, 2020. The City is now seeking a new contract for the same requirements of computer hardware, peripherals and services, which will be in place before the end of 2024. The City needs approval to cover the spending for technology hardware until the new contract is in effect.

Since this contract was awarded, there have been approved changes for a total of \$2,341,344 including GST and PST of \$250,858 of hardware and maintenance needs for the desktop replacement program and other capital projects that have received the necessary approvals as well as extension of the contract into 2024.

The Information Technology Department has assessed the resources that the city needs until the new contract is in place. This recommendation is for an increase to the contract of \$388,070 including GST and PST of \$41,578 to meet the city’s current year computer hardware and service maintenance needs until the end of October 2024.

A new Request for Proposals is publicly posted for the same requirements of computer hardware, peripherals and services for the next three years, which will be brought to Council for approval before the end of 2024.

The total revised contract value will be \$4,325,514 including GST and PST in the amount of \$463,447.

<b>Contract History</b>	<b>Date</b>	<b>Accumulative Total Change (including GST and PST)</b>
<b>Original Contract Award (Council Approval obtained)</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
Previous Change Orders (Council Approval obtained)	July 2023 – August 2023	\$ 415,694
Previous Change Orders	August 2023 – Dec 2023	\$ 250,000
Previous Change Orders	Jan 2024 – June 2024	\$ 749,999
<b>Subtotal of Change Orders</b>	<b>September 2022 – June 2024</b>	<b>\$ 2,341,344</b>
Change Order – Contract Additions (Council Approval required)	Pending	\$388,070
<b>TOTAL</b>		<b>\$4,325,514</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**

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 included in the 2024 – 2028 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.