CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date:	October 17, 2008
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Meeting Date:	November 25, 2008

TO: Vancouver City Council

FROM: Ken Bayne, General Manager of Business Planning and Services

SUBJECT: Award of Tender for the Supply and Delivery of IT Data Storage Devices

RECOMMENDATION

A.   THAT, subject to the conditions set out in Recommendations B, C, and D Council authorize the General Manager of Business Planning and Services to award a contract to Mainland Information Systems Ltd. for the supply and delivery of IT Data Storage Devices at an estimated total cost of $708,892 plus applicable taxes (less any municipal rebate received; source of funding to be:

- $489,430 from the Information Technology Infrastructure – 2008 Expansion and Replacement Program;
- $120,000 from SAP Server Upgrade Capital Budget;
- $33,462 from the VanDocs Capital Budget; and
- $66,000 from 311 Project Capital Budget.

B.   THAT, the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendation A.

C.   THAT, all such legal documents be on terms and conditions satisfactory to the General Manager of Business Planning and Services and the Director of Legal Services.

D.   THAT, no legal rights or obligations will be created by Council's adoption of Recommendation A, B and C above unless and until such legal documents are executed and delivered by the Director of Legal Services.

COUNCIL POLICY
Purchases with a value over $300,000 are referred to Council for award.

BACKGROUND

The Department of Information Technology needs to expand and renew existing data storage equipment with new technology, ensuring the ability to continue providing quality data storage services to all City Departments. Data storage usage has doubled over the last year, and the rate of growth continues to increase.

On April 29, 2008, the Council approved the Information Technology Infrastructure – 2008 Expansion and Replacement Program (RTS No. 07250). This Program includes funding allocated for Storage and Backup expansion and renewal sub-program with funding of $1,010,000. This new storage capacity and associated technology will benefit all City projects, specifically the immediate requirements of 311, VanDocs, and SAP.

DISCUSSION

On October 2, 2008, the City issued an Invitation to Tender (ITT) PS08180 for the supply and delivery of IT Storage Devices. In addition to notifying well known vendors, the ITT was placed on the City's and BC Purchasing Commission's BC Bid website and advertised in the Vancouver Sun.

Three (3) bids were received and opened on October 17, 2008 and referred to the Manager of Data Management & Services and the Manager of Vendor Relations for evaluation and report.

The tender called for the supply and delivery of IT Storage Devices, with associated operations and management software packages, which offered the best value to the City including a three (3) year software upgrade and hardware warranty.

Vendor	A	B	C
Controller and disks (Hardware)	$214,220		$238,394
software upgrade and hardware warranty (3yr)	$279,842	no information given	$45,194*
Protocol bundle (Software)	$186,816		$412,832
SAP snapmanager (Software)	$10,154		$7,012
SQL snapmanager (Software)	$7,980		$5,132
Ops manager (Software)	$9,880		$4,322
Total	$708,892	$1,090,000	$712,886

The response from Vendor C did not meet specified software upgrade and hardware warranty requirements.

The bid from Mainland Information System Ltd. (Vendor A) provided the overall lowest price and met all of the City's specifications, including the supply of IT Storage Devices, with associated operations and management software packages and a three (3) year software upgrade and hardware warranty, for a total delivered price of $708,892 plus applicable taxes

(less any municipal rebate received). Cost associated to the on-going maintenance of this technology beyond the third year will be addressed in the Information Technology Infrastructure – 2011 Expansion and Replacement Program.

FINANCIAL IMPLICATIONS

Financial costs for the supply and delivery of IT Storage Devices, with associated operations and management software packages, including three (3) year software upgrade and hardware warranty will be funded from the following sources:

- $489,430 from the Storage and Back-up Expansion and Renewal sub-program of the approved the Information Technology Infrastructure – 2008 Expansion and Replacement Program;
- $120,000 from SAP server upgrade;
- $33,462 from VanDocs project hardware;
- $30,000 from 311 project hardware; and
- $36,000 from 311 project software.

ENVIRONMENTAL IMPLICATIONS

The new IT Storage Devices will have a smaller physical and ecological footprint per storage unit compared to the existing equipment.

CONCLUSION

Accordingly, we recommend acceptance of the lowest priced, best value bid from Mainland Information Systems Ltd. for the supply and delivery of IT Data Storage Devices, with associated operations and management software packages, including a three (3) year software upgrade and hardware warranty at the cost of $708,892 plus PST and GST (where applicable).

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