



Corporate NO: R272

Report COUNCIL DATE: January 8, 2001_

REGULAR

TO: Mayor & Council DATE: **January 2, 2001**

FROM: Acting General Manager

Finance, Technology & HR FILE: **0830-001**

SUBJECT: Request for Proposal: Q1 - 2000 - Purchase of Laptop Computer Equipment

RECOMMENDATION

That Council approve entering into a five (5) year agreement with Dell Computer Corporation for the direct supply of laptop computer equipment complete with operating system and technical services support for a total cost of \$420,000, including GST & PST.

DISCUSSION

The City requested proposals for the purchase and delivery, on a manufacturer-direct basis, of computer equipment (Laptops) complete with operating software and technical services support for a period of five (5) years. In addition, the City's agreement is to allow other governmental agencies, such as Vancouver Regional Co-operative Purchasing Group, with the opportunity to participate.

Every year various older components of the City's laptop computer equipment need to be upgraded, redeployed or retired. This allows us to maximize our investment in technology and to ensure that these assets properly support the City's infrastructure and applications. Currently, the City owns 125 laptop units. Approximately 20 of these units are replaced annually. Based on this expected inventory replacement program, the estimated expenditure would be \$84,000 annually, or, \$420,000 including GST & PST for the five (5) year term of the agreement.

Scope

The primary objective for the Request for Proposal (RFP) is to encourage competition so that we can obtain the most competitive pricing.

As a result of the RFP process, the Purchasing Section successfully solicited proposals from the following:

- Dell Computer Corporation;
- Seanix Technology (Canada) Inc., and
- Toshiba of Canada Limited.

Evaluation

Representatives from the Purchasing Section and Information Technology Division considered these proposals using an in-depth evaluation process. Our preferred criteria are listed as follows:

Operational Strengths:

- Manufacturer direct relationship;
- Manufacturer platform standardization, all designed to adapt as the City's business and technology needs change and grow;
- Timely delivery and flexible support services;
- Direct service and support;
- Electronically supported procurement, and
- E-Catalogues

Financial Performance:

- The City will receive a special fixed price (Net Pricing) for the standard Laptop business models as requested in our document. This price is compliant with pricing the City would receive under the current discount structures applicable to the Master Standing Offer with the Government of British Columbia, individual Ministries, Provincial Crown Corporations or other Municipalities;
- Net price is firm for the life of this specific configuration(s);
- The City will receive an aggressive price structure immediately in lieu of potential gradual price reductions;
- Commonality of components, modules and docking solutions are designed to help lower total cost of ownership;
- Total cost savings take effect throughout the overall process of computer equipment purchasing including:
 - Planning and Acquisition;
 - Deployment;
 - Maintenance and Support, and
 - Process Management.
- The City will also receive, during the course of this agreement, any additional announced promotional prices, educational discount prices, or general price reductions which fall below the 'Net Pricing' associated with this project.

The proposal as received from Dell Computer Corporation met all of the above requirements. It also provides the City with improved business class computer equipment with deeper discounts.

CONCLUSION

In accordance with the City's Purchasing Policy, we recommend that Council approve the City entering into a five (5) year agreement with Dell Computer Corporation for Laptop Computer Equipment for \$420,000 including GST & PST. Funding is available in the Information Technology Capital program.

Vivienne Wilke, CGA
Acting General Manager

Finance, Technology & HR

c.c. City Manager

City Clerk

Manager, Purchasing & Payments