

COMMITTEE OF THE WHOLE - MAY 2, 2005

REQUEST FOR PROPOSAL (RFP05-034) ESTABLISHMENT OF PREFERRED VENDORS FOR SUPPLY, DELIVERY, INSTALLATION AND SUPPORT OF COMPUTER EQUIPMENT

Recommendation

The Commissioner of Economic/Technology Development and Communications, in consultation with the Chief Information Officer (CIO), and the Director of Purchasing Services, recommends:

1. That the following two (2) companies be established as the City's Preferred Vendors for the supply, delivery, installation and support of computer equipment, as outlined in the Request For Proposal (RFP05-034), in the amount not to exceed Council-approved Capital and Operating budgets for such goods and services:

Albert White Technologies, Markham, ON
Infiniti Technology Inc., Mississauga, ON

- and -

2. That a By-law be enacted to authorize the Mayor and the City Clerk be authorized to execute related contracts.

Economic Impact

The establishment of Preferred Vendors allows the City to benefit from competitive pricing for computer equipment, expedited acquisition process and value added services. The financial impact is identified and justified during the budget preparation process. Actual expenditures for acquisition of computer equipment and related services will vary due to competitive vendor pricing, but will conform with the established budgets for such goods and services.

Purpose

To award Request For Proposal (RFP05-034) to establish two (2) Preferred Vendors for the supply, delivery, installation and support of computer equipment. This will be a one (1) year contract, with option to renew for two (2) additional one (1) year periods. Renewal of the contract will be subject to satisfactory pricing and performance reviews.

Background - Analysis and Options

In 2002, Council approved the establishment of Preferred Vendors for supply, delivery, installation and support of computer equipment. The experience over the past 3 years has been beneficial for the City, as it allowed for competitive pricing throughout the term of the agreement, as well as access to multiple vendors' resources for support. The term of the existing Preferred Vendors agreement expires on April 30, 2005. Consistent with the practice established in 2002 and based on positive experience, the same arrangement is preferred for the next agreement.

A Request for Proposal (RFP) for Preferred Vendors for the supply, delivery, installation and support of computer equipment was issued on February 24, 2005, and closed on March 15, 2005. The RFP was advertised in "The Liberal" newspaper, the City of Vaughan Web Site, as well as the Electronic Tendering Network (ETN). One addendum was issued to clarify vendors' questions.

Eleven (11) copies of the RFP were picked-up, and three (3) responses were received. One (1) submission was non-compliant. An evaluation team, comprising of staff from the Information & Technology Management Department and the Purchasing Services Department evaluated the received proposals in accordance with the established evaluation criteria in the RFP.

As outlined in the RFP, the top three (3) proponents would be established as the City's Preferred Vendors for the supply, delivery, installation and support of microcomputer equipment. A cycling method between Preferred Vendors will be used for equipment orders under \$20,000. A bidding process between the Preferred Vendors will be used for equipment orders above \$20,000. The bids will be awarded to the best-buy vendor based on price and availability of equipment at the time of orders. The total value of all orders will not exceed Council-approved annual Capital and Operating budgets during the term of the agreement.

This approach, of using three (3) Preferred Vendors, will ensure that the City receives the following benefits:

- a) Most competitive pricing available at the time of purchase,
- b) Accelerated procurement process,
- c) Continual "value added" services from multiple vendors,
- d) Better and broader customer/vendor relations.

The following scoring method was established and used by the evaluation team to evaluate vendor proposals:

- i. The vendor's past business practices, management and financial stability – 5%
- ii. Proponent's capability to perform this contract – 40%
- iii. Pricing – vendor's demonstrated ability to offer competitive pricing – 35%
- iv. Additional value-added services and/or cost reductions/bonus programmes included in the proposal at no additional cost – 20%

Because only two (2) qualified proposals were received and evaluated, the Preferred Vendors list will consist of two (2) vendors:

<u>Vendor</u>	<u>Evaluated Total Score</u>
Albert White Technologies	94.67%
Infinity Technology Inc.	83.70%

Staff made inquiries with some of the vendors who picked up the RFP documents, but did not submit any proposals. The reasons for no submissions included lack of time to respond, not being able to offer competitive pricing, and non-exclusivity.

Relationship to Vaughan Vision 2007

- Finance and Economic Development – establishment of multiple Preferred Vendors for supply, delivery, installation and support of computer equipment allows the City to manage its computer assets at the lowest cost possible, and receive best possible support.
- Technology and Innovation – on-going technology maintenance program ensures reliability and optimum performance of corporate computing facilities, thus ensuring effectiveness and productivity of staff and service excellence.

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Conclusion

Based on the results of the RFP evaluation team, it is recommended that Albert White Technologies, Markham, ON, and Infiniti Technology Inc., Mississauga, ON, be established as Preferred Vendors for the supply, delivery, installation, and support of computer equipment.

Attachments

None

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Respectfully submitted,

FRANK MIELE, Commissioner
Economic/Technology Development
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