CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 10, 2021

Item 4, Report No. 8, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on March 10, 2021.

4. REQUEST FOR APPROVAL OF SINGLE SOURCE AWARD OF WARRANTY AND SUPPORT FOR HEWLETT PACKARD HARDWARE

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Deputy City Manager, Corporate Services, City Treasurer and CFO, dated March 2, 2021:

Recommendations

1. That the Single Source for hardware warranty and support be awarded to Hewlett Packard Enterprise (HPE) in the base amount of $250,000.00 plus taxes annually, for a fixed three (3) year term, with the option to extend for three (3) years.

2. That Council authorize staff to award and execute any extensions.

Committee of the Whole (1) Report

DATE: Tuesday, March 2, 2021 **WARD(S):** ALL

TITLE: REQUEST FOR APPROVAL OF SINGLE SOURCE AWARD OF WARRANTY AND SUPPORT FOR HEWLETT PACKARD HARDWARE

FROM:
Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and CFO

ACTION: DECISION

Purpose

To obtain Council approval to award the data centre hardware warranty and support Single Source to Hewlett Packard Enterprise (HPE) and enter into an agreement for these services.

Report Highlights

- The City of Vaughan has been using HP hardware and services for 15+ years.
- There will be cost savings and a decrease in operational effort by Single Sourcing to Hewlett Packard Enterprise.
- The City of Vaughan will continue to procure warranty and support services directly from the manufacturer.

Recommendations

1. That the Single Source for hardware warranty and support be awarded to Hewlett Packard Enterprise (HPE) in the base amount of $250,000.00 plus taxes annually, for a fixed three (3) year term, with the option to extend for three (3) years.

2. That Council authorize staff to award and execute any extensions.

Background

The Office of the Chief Information Officer is responsible for the stability of the corporate Information Technology Infrastructure that serves all City of Vaughan staff, and its residents.

The City has been using HP hardware and services for 15+ years. In this time, HPE has provided 250+ infrastructure components. The stability of HPE's hardware is largely due to the support care packages that are purchased at the time of the initial hardware procurement. These warranty and support contracts require annual renewal. Support care packages ensure optimal support and turnaround time from the manufacturer.

Single Sourcing for hardware warranty and support allows the City to automate processes by utilizing HPE's proprietary systems with no additional costs, as well as removes the third-party vendors from the renewal process which reduces turnaround time for support and costs.

Previous Reports/Authority

Not Applicable

Analysis and Options

Single Sourcing to HPE for hardware warranty and support ensures that the City will work directly with the manufacturer resulting in many benefits. The HPE team has direct access to support and data and is best qualified and knowledgeable on their own hardware, new and certified parts, software fixes and patches and end of life parts. This in turn translates to a seamless process, visibility, mitigation of risks as well as timely response, support and management of the contract and its respective services with little to no service interruptions/delays.

City resources will also partner with the HPE team to manage costs, ensuring that the City remains within budget and receives competitive pricing. Procuring these services via a reseller/Vendor adds complexity regarding turnaround/response time for services and pricing mark ups.

HPE also provides monthly/yearly reports and statistics for open calls, response, and resolution time, which allows for the City to identify and track key performance indicators and metrics.

Single Sourcing to HPE for data centre warranty and support will allow for time and cost savings.

Financial Impact

The Office of the Chief Information Officer recommends a Single Source be processed, and an agreement be entered into, for HPE warranty and support with HPE. The cost for these services is $250,000.00, plus taxes annually, for a fixed three (3) year term, with the option to extend for three (3) years.

Section 3, item 3.6c of the Corporate Procurement Policy states that the award of a Single Source contract for a value exceeding $100,000 requires Council approval.

There is sufficient annual funding for HPE warranty and support renewal in the operating budget of the Office of the Chief Information Officer.

By going directly to the manufacturer, the warranty and support renewal services will result in future cost savings and a decrease in operational effort.

Broader Regional Impacts/Considerations

Not Applicable.

Conclusion

The Office of the Chief Information Officer recommends the award of the Single Source Agreement to procure HPE hardware warranty and support to Hewlett Packard Enterprise, as they are the manufacturer of these products, which will result in substantial operational and cost savings, as well as stability and efficiencies for the City of Vaughan.

For more information, please contact:
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Attachments

Not Applicable

Prepared by

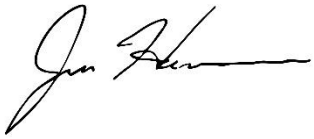
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Approved by



Michael Coroneos, DCM, Corporate Services, City Treasurer and CFO

Reviewed by



Jim Harnum, City Manager