Agenda – Executive Policy Committee – October 20, 2020

REPORTS

Item No. 8 Award of Contract for the Provision of IT Workstations and Main Peripherals

STANDING COMMITTEE RECOMMENDATION:

On October 9, 2020, the Standing Policy Committee on Innovation and Economic Development concurred in the recommendation of the Winnipeg Public Service and recommended to the Executive Policy Committee:

1. That the City enter into, execute, and deliver and award a contract for the purchase of IT Workstations and Main Peripherals from CompuCom Canada Co., the proponent submitting the proposal deemed to represent the best value, at a total estimated cost of $7,300,000.00 including MRST, GST extra for the period of five (5) years from the date of award, with the possibility of two (2) optional one (1) year extensions.

2. That the Proper Officers of the City do all things necessary to implement the intent of the foregoing.

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

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ADMINISTRATIVE REPORT

Title: Award of Contract for the Provision of IT Workstations and Main Peripherals

Critical Path: Standing Policy Committee on Innovation and Economic Development - Executive Policy Committee

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Jamault	G. Cottick	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

The Public Service is requesting approval of a five (5) year contract with two (2) optional one (1) year extensions, on a co-operative purchase agreement with the Government of Manitoba for the Provision of IT Workstations and Main Peripherals. Through discussions with the Government of Manitoba and the other Buying Group Members the City determined that participating in the Government of Manitoba contract would provide significant savings and that it would be in the City's best interests to join this Buying Group rather than releasing our own request for proposals.

This contract is projected to offer savings of $1,015,000 (or $145,000 per year - 9%) for the life of the agreement including extensions (seven years total).

The Recommendation of this Report is compliant with the Materials Management Policy, and is compliant with the applicable Trade Agreements.

RECOMMENDATIONS

1. That the City enter into, execute, and deliver and award a contract for the purchase of IT Workstations and Main Peripherals from CompuCom Canada Co., the proponent submitting the proposal deemed to represent the best value, at a total estimated cost of $7,300,000.00 including MRST, GST extra for the period of five (5) years from the date of award, with the possibility of two (2) optional one (1) year extensions.

2. That the proper officers of the City do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

As the total conditional amount to be paid by the City pursuant to the contract exceeds $5 million, the term does not exceed five (5) years and the contract obligates the City to order goods only when required, Executive Policy Committee approval is required.

IMPLICATIONS OF THE RECOMMENDATIONS

City departments will make purchases under the contract on an as-required basis. Costs are paid for by the requesting department, and funded by their existing operating budgets. This contract does not include any minimum purchase clauses or commitments.

HISTORY/DISCUSSION

The City of Winnipeg currently purchases computer equipment from Powerland Computers. Contract #3113 (RFP 587-2015) with Powerland has been in place since 2016, signed as a three (3) year agreement with two optional one (1) year renewals.

Although Powerland has met performance requirements of the contract and has served the City well, it was determined in October of 2019 that at the expiration of the current contract term with Powerland, it would be beneficial for the City to participate as a member in the Buying Group together with other Manitoba Public Sector organizations (Government of Manitoba (GoM), Manitoba Hydro, Manitoba Public Insurance, Shared Health, Manitoba Liquor and Lotteries) in the GoM's Request for Standing Offer (RFSO) for IT Workstations and Main Peripherals.

The RFSO was posted publicly on November 1, 2019 and closed on December 10, 2019. Five proposals were received and evaluated on a price per point basis. Evaluations were performed collectively by a representative from each Buying Group strictly in accordance with the RFSO and a recommendation was made by the IT Steering Committee (comprised of one member of each Buying Group) to the Executive on March 6, 2020 to award the RFSO to CompuCom Canada Co.

The savings to the City achieved through participating in the Buying Group are projected to be $1,015,000 (or $145,000 per year - 9%) for the life of agreement including extensions (seven years total).

The work of the contract consists of the supply and delivery of IT Workstations and Main Peripherals on an 'as required' basis for a five (5) year term from the date of award, with two (2) one (1) year extensions available at the sole discretion of the Buying Group.

The Innovation, Transformation & Technology Department has reviewed the work with the Government of Manitoba and the recommended vendor and is satisfied that they have the necessary resources and experience to perform the work.

The Recommendation of this Report complies with the Materials Management Policy and the various trade agreements. The Government of Manitoba's Request for Proposals establishes a buying group which allows the City and other public sector organizations in Manitoba to participate in the procurement on the same terms available to the Government of Manitoba.

Materials Management Reference #1144-2019 (Province of Manitoba Standing Offer Number PMI IT 112019).

FINANCIAL IMPACT

Financial Impact Statement

Date: August 26, 2020

Project Name:

Award of Contract for the Provision of IT Workstations and Main Peripherals 1144-2019 (Province of MB Standing Offer PMI_IT_112019)

First Year of Program **2020**

	2020	2021	2022	2023	2024
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 365,000	$ 1,460,000	$ 1,460,000	$ 1,460,000	$ 1,460,000
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 365,000	$ 1,460,000	$ 1,460,000	$ 1,460,000	$ 1,460,000
Less: Existing Budget Amounts	365,000	1,460,000	$ 1,460,000	$ 1,460,000	$ 1,460,000
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. Direct costs above represent value of the 5 years contract estimated to be awarded October 1, 2020. Costs are assumed to be incurred evenly throughout the term of the contract. Total costs of the contract estimated to be $7,300,000 including PST. GST is excluded as it is 100% refundable to the City.
2. Direct costs will be charged to applicable departments who make purchases under this contract. The contract is on a as required basis, and does not commit the City to a minimum purchase amount. Purchases will only be made if applicable budgets are adopted.

electronically signed by
Tanis Yanchishyn
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

- Innovation, Transformation, and Technology Department – Desktop and Mobility Services
- Corporate Finance Department - Materials Management Division
- Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

01-1 City Building
01-2 Safety and Security
01-3 Prosperity

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Innovation, Transformation, and Technology
Division: Connectivity – Desktop and Mobility Services
Prepared by: B. Jamault
Date: September 17, 2020