

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 21, 2017

Item 2, Report No. 2, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on February 21, 2017.

2 SINGLE SOURCE AWARD OF WARRANTY AND SUPPORT FOR HEWLETT PACKARD HARDWARE

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Information Officer, dated February 6, 2017:

Recommendation

The Chief Information Officer, in consultation with the Director of Financial Planning & Development Finance, Deputy City Treasurer and Director of Procurement Services recommends:

1. That the Single Source of Warranty and Support of Hewlett Packard Hardware be awarded to Hewlett Packard Enterprise in the base amount of approximately \$180,000 plus applicable taxes, annually, for three (3) years.
2. That a contingency allowance for each year in the amount of \$18,000.00 plus applicable taxes (approximately 10%), be approved within which the Chief Information Officer or his designate is authorized to approve amendments to the contract.
3. That the Mayor and City Clerk be authorized to sign the necessary documents.

Contribution to Sustainability

The Office of the Chief Information Officer (OCIO) works to ensure that the City of Vaughan's Corporate infrastructure, including but not limited to City's public website (vaughan.ca), internal corporate website (VOL), geographical information systems (ArcGIS), building permit and license repository (AMANDA), enterprise resource planning system (JDE), user directory services, Wi-Fi and E-mail systems remain functional, secure and resilient.

Economic Impact

Sufficient funds exist in operating account number 050050.7531. This operating account is utilized to support the ongoing warranty and support for the City's corporate Information Technology Infrastructure.

Single Sourcing Hewlett Packard for this automated tool will result in a cost savings of approximately \$20,000, and time savings of 300+ operational hours annually.

Communications Plan

Not applicable

Purpose

The purpose of this report is to obtain Council approval to award the Single Source contract to consolidate renewals for warranty and support of Hewlett Packard infrastructure (e.g. Servers, Storage, Blades, Enclosures, Security Assets, and Networking/Fabric Switches) directly from the manufacturer Hewlett Packard Enterprise.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 21, 2017

Item 2, Finance Report No. 2 – Page 2

Background - Analysis and Options

The Office of the Chief Information Officer is responsible for the stability of the corporate Information Technology Infrastructure that serves approximately 1,600 staff, which includes Vaughan Public Libraries, Community Centres, Parks, Fire, and most importantly its residents.

The City of Vaughan has been using Hewlett Packard for 15+ years. In this time, they have provided 250+ infrastructure components. The stability of Hewlett Packard hardware is largely due to the support care packages that are purchased at the time of the initial hardware, using the Procurement process. These warranties and support contracts require renewal on a yearly basis in order to upkeep drivers, firmware, and hardware replacements. Support care packages ensure the best support and turnaround time from the manufacturer.

The OCIO conducted an internal assessment of the IT Infrastructure in 2016. As a result of this assessment, a substantial risk in our manually driven support and warranty renewal process with our vendors of record was identified. Several key assets were found without adequate support or had a mixture of support contracts. The assessment also found numerous components without warranty. This manual process was inefficient, unreliable and took 300 operational hours and approximately \$20,000 annually to process.

Single Sourcing allows the City to automate this process by utilizing Hewlett Packard Enterprise's proprietary systems with no additional costs, as well as removes the third party from the renewal process.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

Term of Council Priority:

- Invest, Renew and Manage Infrastructure and Assets

Service Excellence Strategic Initiatives:

- Operational Performance, Continuous Improvement

Regional Implications

Not applicable

Conclusion

A Single source was undertaken for the purchase of Hewlett Packard warranty and support for the Office of the Chief Information Officer. Staff recommends awarding the contract to Hewlett Packard Enterprise given that they are the manufacturer of these products and the substantial operational savings, stability and efficiencies that will be incurred.

Attachments

Not applicable

Report prepared by:

Sean Marcella, Manager Infrastructure Architecture and Operations x8962