

To: Corporate and Finance Services Committee

From: Stephanie Sinnott, Commissioner,  
Corporate and Finance Services Department

Report Number: CF-24-43

Date of Report: May 29, 2024

Date of Meeting: June 3, 2024

Subject: Request for Tenders C2024-050 Microsoft Surfaces and  
Accessories and C2024-052 Computer Equipment

Ward: All Wards

File: 03-05

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## **1.0 Purpose**

The purpose of this report is to recommend the contract award for the supply and delivery of computer equipment, Microsoft surfaces and accessories to the lowest responsible bidders meeting specifications, in accordance with the Purchasing By-law 80-2020.

## **2.0 Recommendation**

That the Corporate and Finance Services Committee recommend to City Council:

1. That the Manager, Procurement be authorized to award contracts, as detailed in Report CF-24-43 dated May 29, 2024, being the low compliant bids meeting specifications as follows:
  - a. Request for Tender (R.F.T.) C2024-050 Microsoft Surfaces & Accessories to Nova Networks, in the amount of \$266,800 excluding all taxes (leasing company Macquarie Equipment Finance Ltd. to pay equipment supplier directly);
  - b. Request for Tender (R.F.T.) C2024-052 Computer Equipment to CDW Canada Corp., in the amount of \$383,720 excluding all taxes (leasing company Macquarie Equipment Finance Ltd. to pay equipment supplier directly);
2. That additional funding of \$30,000 excluding all taxes be made available from the Information Technology Reserve to cover other miscellaneous components as required for the computer hardware rollout; and,
3. That, pursuant to the requirements of Ontario Regulation 46/94, the Treasurer of the Regional Municipality of Durham be advised that the City will be entering into a

financing lease with Macquarie Equipment Finance Ltd. on the terms stated in Report CF-24-43.

### **3.0 Executive Summary**

The City issued Request for Tenders (R.F.T.) for the annual acquisition of computer hardware, including computers, tablets and accessories necessary to meet the technology requirements of the City. To increase competition the computer hardware was separated into two separate bids. R.F.T. C2024-050 Microsoft Surfaces and Accessories and C2024-052 Computer Equipment.

The computer hardware rollout will be financed by a lease with the City's leasing provider, Macquarie Equipment Finance Ltd. Additional or supplemental equipment that may be necessary during 2024/2025 will be funded from the Information Technology operating budget.

This report is being issued in accordance with Ontario Regulation 46/94 of the Municipal Act 2001 and the City's Leasing Policy.

### **4.0 Input From Other Sources**

Not applicable.

### **5.0 Analysis**

The City's computer hardware acquisition is financed through third party leases due to the following advantages:

- Establishment of a routine replacement program for equipment with a consistent rate of obsolescence;
- Predictable operating costs; and
- Lessor retains used/outdated equipment at the end of the lease and absorbs all disposal costs.

The City of Oshawa procures computer hardware to meet the technology requirements of the City and participating external agencies including the Oshawa Public Library, Oshawa Senior Community Centres, and the Robert McLaughlin Gallery. In 2024, the City needs to acquire computer hardware to replace existing three (3) year old equipment and continue migrating to a more effective remote work force.

## **5.1 Background**

Information Technology Services (I.T.S.) staff consulted with City departments and participating external agencies to determine their specific technology requirements for 2024/2025. Based on this needs assessment, I.T.S. developed the specific hardware requirements for Microsoft surfaces, notebook computers, monitors, and tablets required.

Procurement issued Request for Tenders to known companies providing these goods and services. To increase competition, an advertisement for each of the bids was placed on the City of Oshawa website.

## **5.2 Bid Results**

### **5.2.1 Request for Tender C2024-050 Microsoft Surfaces and Accessories**

Four (4) submissions were received and opened by Procurement on May 1, 2024. Upon review of the tenders submitted, all were deemed compliant with the requirements of the R.F.T.

Nova Networks submitted the lowest compliant bid for Microsoft Surfaces and Accessories, meets the specification, and satisfies the requirements of the R.F.T.

The following is a tabulation of the bids received (excluding all taxes):

<b>Item</b>	<b>Bidder</b>	<b>Total Bid Amount</b>	<b>Bid Compliance</b>
<b>1</b>	<b>Nova Networks</b>	<b>\$266,800</b>	<b>Yes</b>
2	ITEXPRESS DIRECT INC	\$303,152	Yes
3	Zones Canada, Inc.	\$339,323	Yes
4	CompuCom Canada Inc.	\$397,900	Yes

### **(Item #1 – Recommended Lowest Responsible Bid)**

### **5.2.2 Request for Tender C2024-052 Computer Equipment**

Five (5) submissions were received and opened by Procurement on May 1, 2024. Upon review of the tenders submitted, four (4) were deemed compliant and one (1) bid was rejected with the requirements of the R.F.T. and the Purchasing By-law.

CDW Canada Corp. submitted the lowest compliant bid for Computer Equipment, meets the specification, and satisfies the requirements of the R.F.T.

The following is a tabulation of the bids received (excluding all taxes):

Item	Bidder	Total Bid Amount	Bid Compliance
1	<b>CDW Canada Corp.</b>	<b>\$383,720</b>	<b>Yes</b>
2	Simcoe IT Solutions Inc	\$433,323	Yes
3	CompuCom Canada Inc.	\$436,147	Yes
4	eSupply Canada Ltd.	\$442,579	Yes
5	Zones Canada, Inc.	Rejected	No

**(Item #1 – Recommended Lowest Responsible Bid)**

**5.2.3 Additional or Supplemental Hardware Acquisitions**

Both tenders included additional or supplemental hardware acquisitions as required during the year to respond to maintenance issues, damaged equipment and new requirements.

Macquarie Equipment Finance Ltd. pays the equipment supplier directly and finances this acquisition for the City and the interest rate remains fixed for the entire three-year period.

**6.0 Financial Implications**

The following chart shows the total estimated costs for the computer hardware including an allowance for additional/supplemental equipment and miscellaneous costs.

<b>Estimated Cost of Computer Hardware</b>	<b>\$</b>
Computer Equipment	383,720
Microsoft Surfaces and Accessories	266,800
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Sub-total	650,520
Savings by leasing	(18,591)
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Equipment Requirements (three year lease costs)	631,929
Miscellaneous Components	30,000
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Sub-Total Estimated Costs excluding Taxes	661,929
HST 13%	86,051
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Total Estimated Costs Including Taxes	747,980
Less HST Rebate	(74,401)
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<b>Net Cost of Equipment</b>	<b><u>673,579</u></b>

Additional cost of up to \$30,000 for miscellaneous components will be funded from the IT reserve.

## **7.0 Relationship to the Oshawa Strategic Plan**

This report meets the Oshawa Strategic Plan objective of Accountable Leadership by ensuring respect, responsiveness and transparency.

A handwritten signature in black ink, appearing to read 'S. Sinnott', written in a cursive style.

Stephanie Sinnott, Commissioner,  
Corporate and Finance Services Department