

4.4: CONTRACT C12010 - TENDER ACCEPTANCE FOR SUPPLY OF INFORMATION TECHNOLOGY INFRASTRUCTURE SUPPORT AND EQUIPMENT

Proponent : City of Albany
Business Entity Name : Ramped Technology and Saxxon IT Pty Ltd
Councillor Workstation : Tender Evaluation Assessment Information (Confidential)
Responsible Officer(s) : Executive Director Corporate Services (G. Adams)

IN BRIEF

- Acceptance of tender to establish a Panel of Suppliers for the Supply of Information Communication Technology (ICT) Infrastructure Support and Equipment.
- It is expected that over the duration of this tender there will be in excess of \$250,000 in purchases.

RECOMMENDATION

**ITEM 4.4: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council:

- (1) **ACCEPT** the Tenders submitted from Ramped Technology Pty Ltd and Saxxon IT Pty Ltd.
- (2) **NOTE** that both successful tenders will form a Panel of Suppliers for the supply of Information Communication Technology (ICT) Infrastructure, Support and Equipment for a period of three years with an additional year option and a further year if required.

BACKGROUND

1. To ensure appropriate, responsive and cost effective ICT support it is recommended that a Panel of Supplies is formed based on submitted tenders for a three-year period with an additional year option and a further year if required.
2. Based on a specific weighted selection criteria two suitable companies have been recommended for the provision of infrastructure support and hardware which include: Data storage systems, backup systems, firewall and security products to meet the City's current and future IT requirements.

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3. The following specific product and services requirements were identified:
- Supply, implement, support and knowledge transfer of data storage systems, server based hardware, business continuity systems and backup hardware and applications.
 - Supply, implement, support and knowledge transfer of Virtualized Computer Systems.
 - Supply, implement, support and knowledge transfer of network security systems (firewall, anti-virus, IPS, audits).
 - Supply, implement, support and knowledge transfer of Microsoft Server environments, email and communication systems.
 - Assistance with the maintenance, installation and upgrades for City corporate systems/applications (eg SynergySoft)
 - The preferred tenderers shall be responsible for ensuring that appropriately trained and certified staff are available and have the skills and qualifications to meet the requirements.

DISCUSSION

4. It is imperative that the City's current virtualized computer systems, network architecture and data stores are properly supported and maintained. Without this support these systems would run inefficiently and begin to fail which would have a direct effect on the operational capability of the City's business functions.
5. Specialised support personnel are required to maintain specific areas of the network where it has been determined that it would be inefficient and costly to train the City's internal ICT staff due to training cost overheads and limited access to peer support.
6. Both Saxxon IT and Ramped Technology can be utilised to mitigate the risk of internal ICT resources being unavailable (i.e. leave and sickness) or where specific increased workload (i.e. Projects, disaster recovery) can be accommodated on a short term basis.
7. Both companies have historically demonstrated that they can provide responsive onsite and virtual support. Saxxon is able provide onsite support where required and Ramped Technology are a local business who has assisted the current ICT Team during period of staff unavailability.
8. Business critical system components (storage hardware, virtualized environments and data stores) are required to be serviced and maintained by suitably qualified and authorised vendors.
9. These systems must be serviced and purchased through official channel (accredited) partners to ensure warranty and certified support.

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10. The City's tender document required the submission of a schedule of rates for labour and training based on the following criteria:

- Remote labour costs (Business Hours)
- Remote labour costs (After Hours)
- Onsite labour costs (Business Hours)
- Onsite labour costs (After Hours)
- Remote (dial-in/internet) training costs
- Onsite (physical) training costs
- On-call rate (ie To ensure availability at a particular time).

11. The following tender evaluation criteria and weightings were used to evaluate the submissions.

Criteria	% Weighting
Cost	30%
Experience with Local Government	10%
Certification, Training and Experience	25%
Vendor Relationships	20%
Training/Knowledge Transfer	15%
Total	100

12. Twenty nine copies of the tender documents were requested; at the close of the tender period three responses were received.

13. Three tenders were received and evaluated and were scored as follows:

Tenderer	Score
Saxxon I.T	548.56
Ramped Technology	504.78
Denver Technology	436.94

STRATEGIC IMPLICATIONS

14. This item relates directly to the following elements of the City of Albany Strategic Plan (2011-2021):

- **Key Focus Area;**
 - *Organisational Performance*
 - *Financial Management*
- **Community Priority:** *Customer Service*
- **Proposed Strategies :** *Reduce debt through careful financial management, prioritisation of expenditure*

15. This item directly relates to the following elements from the Council's adopted Information Technology Strategy:

- *Align the City's ICT platforms to those recommended by software suppliers provided that they are in line with market trends and have readily available ICT skill sets.*
- *To maintain a consistent and common infrastructure comprising a reliable and effective desktop architecture to enable city staff to optimise their service delivery, productivity and efficiency.*

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- *To catalogue, rationalise, prioritise and ensure that back up procedures and disaster recovery plans are in place for all corporate databases.*
- *To provide a multi server infrastructure that is robust, efficient and capable of expansion to capitalise on market opportunities.*
- *To formalise disaster recovery and contingency plans for all IT equipment, applications and data.*
- *To reduce the risk of failure/data corruption through the application of new software/hardware.*

POLICY IMPLICATIONS

16. Councils Policy “Purchasing Policy – Tenders and Quotes” and associated procedures apply to this item.
17. Tender Contract Procedure 4(1)(c). Evaluation Criteria.

RISK IDENTIFICATION & MITIGATION

18. The risk identification and categorisation relies on the City’s Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>Computer system failure due to incorrect equipment purchased, untrained staff and/or lack of appropriate skills.</i>	<i>Almost certain</i>	<i>Severe</i>	<i>Extreme</i>	<i>Employ contractors with appropriate skill set and credentials.</i>
<i>Disaster Recovery site is required in an emergency but is inoperative due to lack of internal skills and/or available resources.</i>	<i>Unlikely</i>	<i>Severe</i>	<i>High</i>	<i>Employ contractors with appropriate skill set and credentials.</i>
<i>Internet or email server failure due to lack of appropriate maintenance.</i>	<i>Almost certain</i>	<i>Major</i>	<i>Extreme</i>	<i>Employ contractors with appropriate skill set and credentials.</i>

FINANCIAL IMPLICATIONS

19. This tender is for future support services and hardware.
20. It is estimated that in the current financial year there will be hardware purchases of approximately \$60,000 and service/consultant purchases of approximately \$140,000 as per the 2012/13 budget.

LEGAL IMPLICATIONS

21. The City is not bound to accept the lowest or any tender and has the right to accept any tender or part of any tender.

ALTERNATE OPTIONS

22. Council could choose not to award the tender and engage services on an adhoc basis; however this may expose the City to opportunistic pricing and non guaranteed responsiveness to resolve issues.

SUMMARY CONCLUSION

23. The City has undergone a competitive process in line with the relevant legislation and established policy resulting in a tender from two reputable suppliers under budget expectations.
24. Both submitted Tenders have historically provided ICT support services to the City of Albany.
25. Both tenders have demonstrated a reliable service, technical expertise and value for money.
26. Based on specific expertise and knowledge in specific fields, it is recommended that tender submissions are awarded and administered through the establishment of a Panel of Suppliers.

Consulted References	:	Council Policy – Purchasing (Tenders & Quotes) Council Policy – Buy Local (Regional Price Preference)
File Number (Name of Ward)	:	C12010
Previous Reference	:	OCM 24/03/2009 – item 12.2.1