



# City of Richmond

## Report to Committee

**To:** General Purposes Committee **Date:** May 13, 2020  
**From:** Grant Fengstad **File:** 04-1300-20-01/2020-  
 Director, Information Technology Vol 01  
**Re:** **Award of Request for Quotation (RFQ) 6867Q "Supply & Delivery of Network Equipment" to TELUS**

### Staff Recommendation

1. That Request for Quotation (RFQ) 6867Q be awarded to TELUS Communications Inc. in the amount of \$1,659,552 over a 3-year term based on the public RFQ process; and
2. That the Chief Administrative Officer and the General Manager, Finance and Corporate Services be authorized to execute the contract with TELUS Communications Inc.

Grant Fengstad  
 Director, Information Technology  
 (604-276-4096)

REPORT CONCURRENCE		
<b>ROUTED TO:</b> Finance Department	<b>CONCURRENCE</b> <input checked="" type="checkbox"/>	<b>CONCURRENCE OF GENERAL MANAGER</b> 
<b>SENIOR STAFF REPORT REVIEW</b>	<b>INITIALS:</b> CS	<b>APPROVED BY CAO</b> 

## Staff Report

### Origin

The purpose of this report is to request approval to award the contract to procure equipment for the annual refresh of critical infrastructure through TELUS Communications Inc. for the total of \$1,659,552. This procurement is in compliance with the City's Procurement Policy 3104 and the 5 Year (2020-2024) Financial Plan Bylaw (5YFP).

The award of the contract will provide the ability for the City to procure the required hardware outlined in RFQ 6768Q, "Supply and Delivery of Network Hardware" publically issued through BC Bid. The procurement of the equipment is required to refresh our existing end-of-life network infrastructure with new Cisco equipment. Staff have reviewed the response, and recommended TELUS Communications Inc. as the vendor best-suited to provide the equipment.

This report supports Council's Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

*Accountable, transparent, and responsible financial management that supports the needs of the community into the future.*

*5.3 Decision-making focuses on sustainability and considers circular economic principles.*

This report supports Council's Strategic Plan 2018-2022 Strategy #6 Strategic and Well-Planned Growth:

*Leadership in effective and sustainable growth that supports Richmond's physical and social needs.*

*6.6 Growth includes supports and/or services for Richmond's vulnerable populations, including youth, seniors, individuals with health concerns, and residents experiencing homelessness.*

This report supports Council's Strategic Plan 2018-2022 Strategy #7 A Supported Economic Sector:

*Facilitate diversified economic growth through innovative and sustainable policies, practices and partnerships.*

*7.1 Demonstrate leadership through strategic partnerships, collaborations and exploring innovative and emerging economic practices and technical advancements.*

### Analysis

In 2018, the City issued an Request for Proposal (RFP) to invite vendors to provide responses, specifically to refresh the City core backbone network that facilitates communication to all City facilities and sites but also to enable City staff to align on a network design and select a new City

network vendor standard. The contract based on RFP 6244P, “Provision of Hardware and Implementation Services for a Core Network Refresh/Architecture” was awarded to TELUS Communication Inc. as they provided the lowest cost and best value option for the City. Simultaneously the Information Technology department began the planning of the refresh program for all critical City network infrastructure. This planning resulted in a comprehensive plan that would be executed over five (5) years, beginning in 2018 with the Network Core refresh. The existing equipment has outlived its’ useful life and on average, is twelve years old. As part of the RFP conducted in 2018, the City selected a new network vendor to support the evolving needs of the City.

The Network Core refresh project has been completed and the City is now fully operational on the new core backbone infrastructure. The next components will include data centre and the facilities.

A multi-year plan has been developed to support the refresh and implementation of new network infrastructure at all City facilities. This includes the data centres, Fire Halls and Community Centres and will support requests to enhance the public Wi-Fi at many Community Centres by offering signal coverage outdoors.

The detailed list of equipment required to support this multi-year deployment was submitted in the RFQ order to meet cash flow, achieve the highest economies of scale and achieve the best discount levels from the vendor.

#### Scope of Work

TELUS Communications Inc. will supply and deliver all the network equipment including the specifications and required quantities on an as needed and as requested basis over the course of the three year contract term.

#### Public Bidding

Request for Quotation “Supply and Delivery of Network Hardware” 6768Q, was posted on BC Bid on March 16, 2020. Bidders were instructed to provide unit pricing for all required products over a three year term. In addition, bidders were requested to respond to a questionnaire relating to their circular economy practices.

The response received from TELUS Communications Inc. was the only response received by the closing date of April 14, 2020. The review team noted that:

- TELUS are an approved reseller of Cisco products
- The response received met all the requirements described in the RFQ
- TELUS provided a positive response to the circular economy assessment in the RFQ that described how their current business practices align to the City’s goals for a circular economy

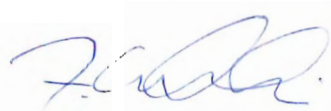
### **Financial Impact**

The overall value for the contract is \$1,659,552 over three years:

- Funding for the first phase is available within previously approved capital projects totaling \$846,648.
- Funding for the second phase of \$501,539 and third phase of \$311,329 is included within 2021 and 2022 of the 5 Year Capital Plan (2020-2024) with final approval subject to the 2021 Capital Budget process and the 2022 Capital Budget process. The RFQ includes a clause which limits future year purchases subject to Council's approval of the budget.

### **Conclusion**

This request is in compliance with the City's Procurement Policy and the Officer and General Manager Bylaw 8215. It is therefore recommended that RFQ 6867Q be awarded to TELUS Communications Inc. for procurement of the network equipment.



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FW:gf