



The following *draft* Minutes of the special meeting of the Toronto Police Services Board held on February 20, 2006 are subject to adoption at its next regularly scheduled meeting.

MINUTES OF THE SPECIAL PUBLIC MEETING of the Toronto Police Services Board held on FEBRUARY 20, 2006 at 4:30 PM in the Auditorium, Toronto Police Headquarters, Toronto, Ontario.

PRESENT: **Dr. Alok Mukherjee**, Chair
 Ms. Pam McConnell, Councillor & Vice Chair
 Mr. Hamlin Grange, Member
 Ms. Judi Cohen, Member

ABSENT: **Mr. John Fillion**, Councillor & Member
 The Honourable Hugh Locke, Q.C., Member
 Mr. David Miller, Mayor & Member

ALSO PRESENT: **Mr. Albert Cohen**, City of Toronto – Legal Services Division
 Ms. Deirdre Williams, Board Administrator

**THIS IS AN EXTRACT FROM THE MINUTES OF THE SPECIAL PUBLIC MEETING
OF THE TORONTO POLICE SERVICES BOARD HELD ON
FEBRUARY 20, 2006**

#P72. Desktop Vendor of Record and 2006 Technology Lifecycle Equipment Purchase

The Board met to consider the following report, dated January 12, 2006, from William Blair, Chief of Police, which had been deferred from the February 15, 2006 meeting (Min. No. P41/06 refers):

Subject: DESKTOP VENDOR OF RECORD AND 2006 TECHNOLOGY LIFECYCLE EQUIPMENT PURCHASE

Recommendation:

It is recommended that:

1. the Board approve the selection of NexInnovations as the vendor of record for the supply of desktop equipment and maintenance and professional services respecting such equipment, for the period March 1, 2006 up to December 31, 2009;
2. the Board approve an expenditure of up to \$2,033,000, including all taxes (\$1,900,000 net of GST rebate) for the acquisition of 509 workstations, 161 laptop computers and 145 printers from NexInnovations in 2006; and
3. the Board authorize the Chair to execute all required agreements and related documents, on behalf of the Board, subject to approval by the City Solicitor as to form.

Background:

The Toronto Police Service (TPS) currently has four technology lifecycle programs for the inventory of workstations, printers and laptop computers. These programs are based on a four year replacement cycle in order to ensure that the equipment provided to members of TPS is reliable and has the capacity to operate the current technology environment, tools and TPS applications.

Vendor of Record:

On November 24, 2005 Purchasing Support Services issued a Request for Proposal (RFP) #162299-05 to establish a vendor of record for the supply of desktop equipment (workstations, printers, laptop computers, and peripheral devices), maintenance and professional services for the period January 1, 2006 to December 31, 2009. The criteria for vendor selection and weights assigned to those criteria are as follows:

- Compliance with Requirements and Objectives of the Project – 50%
- Cost – 30%; and
- Bidders Record of Performance and Stability – 20%.

The RFP closed on December 16, 2005. One proposal and two replies of “Notice of No Submission” were received. The lone proposal was submitted by the incumbent, NexInnovations. The evaluation team, comprised of technical staff in Information Technology Services, evaluated the proposal. The proposal met all mandatory criteria and satisfied all the requirements of the RFP. The financial analysis confirmed a reduction from the current prices for equipment, maintenance and professional services. The bidder’s performance and stability were reviewed and found to be satisfactory.

The RFP required the respondents to propose a process to ensure that any manufacturer price decreases are passed on to TPS. NexInnovations proposed:

- a formal monthly or quarterly review meeting on price points, trends, technology availability and end of life cycles;
- tracking the reviewed items; and
- comparison pricing against similar technology from competitive manufacturers.

The modelling of these factors will make allowances for the relative position of the product within its life cycle, generally accepted business practices against the price at the time of bid, and end of life product discounts. A formal quarterly review process is acceptable to TPS.

The RFP also included a requirement where TPS reserves the right to verify that the Vendor of Record is providing competitive prices across the range of products and services TPS acquires. NexInnovations’ response acknowledged acceptance of this requirement.

At a minimum annually and always prior to a large commitment, the Service will obtain quotations from other vendors in the marketplace on the specific makes and models of products and types of services that are required by TPS. This process plus Information Technology Services’ (ITS) ongoing contact with the manufacturers, ensures that TPS is receiving good value and competitive prices from NexInnovations during the term of the agreement.

Technology Lifecycle Plan for Workstations, Laptop Computer and Printers:

The Technology Lifecycle Plan for workstations, laptop computers and printers was reported to the Board at the July 12, 2005 meeting (BM#P223/05), and approval obtained for the purchase of 2,185 workstations in 2005. Through the balance of 2005, work continued to develop the 2006 equipment requirements. This work took into account:

- the completion of the 2005 equipment acquisition;
- the results of the inventory reconciliation process conducted in the fall of 2005;
- an assessment of equipment needs;
- available funding in 2006; and
- NexInnovations pricing.

2006 Requirements:

As a result of the foregoing analysis, the 2006 plan is to replace:

- 509 workstations leased in 2002;
- 161 laptop computers previously acquired in 1999; and
- 145 printers deferred from the 2005 Lifecycle program.

The 509 workstations are in various locations throughout TPS and the replacement supports the migration to the Windows XP operating system.

The 161 laptop computers, distributed to a wide variety of Units, are primarily shared and are used to support the work of members conducting investigations, crime analysis, training, community presentations and other mobile activities. Originally purchased in 1999, the laptops are severely limited and do not have the capability or capacity to operate current versions of operating systems and applications.

The 145 printers were originally scheduled for replacement in 2005 and deferred due to funding limitations. The printers have reached the end of the normal duty cycle and the replacement will lessen the incidence of break downs and service disruptions.

It should be noted that the 310 printers originally scheduled for replacement in 2006 will be deferred to 2007, subject to funds availability.

Included in the costs for 2006 is the acquisition of:

- the equipment (workstations, laptop computers and printers)
- professional services to plan the project, install the equipment, migrate data to the new workstations and decommissioning activity; and
- a four (4) year maintenance package for the workstations and laptop computers.

It was determined that printer maintenance can be more cost effectively procured from a separate vendor.

Multi-Year Equipment Lifecycle Replacement Plan:

ITS is currently working to develop a multi-year technology lifecycle plan for the years 2007 to 2014. This plan, which includes requirements for workstations, laptop computers and printers as well as servers, network equipment and mobile workstations, will be reported to the May 2006 Board meeting.

Financial Implications:

The Chief Administrative Officer, Administrative Command has certified that funding (\$1,900,000 net of GST rebate) for the 2006 requirements is included in the Service's approved 2006-2010 capital budget (funded through the Police Vehicle & Equipment Reserve).

Consistent with the direction received from the City's Deputy Manager and Chief Financial Officer, future IT lifecycle requirements of the Service are to be funded from the City's Capital from Current Non Program account. Accordingly, the funding sources for the future replacement of the equipment, as well as the strategy to stabilize the funding required year to year, will also be included in the May 2006 report to the Board.

Conclusion:

This report requests approval of an expenditure in 2006 of up to \$2,033,000 including all taxes, (\$1,900,000 net of GST rebate), for the acquisition of 509 workstations, 161 laptop computers and 145 printers from NexInnovations.

This report also requests approval for the selection of NexInnovations as the Service's vendor of record to supply desktop equipment (workstations, printers, laptop computers, and peripheral devices), maintenance and professional services for the period March 1, 2006 up to December 31, 2009.

The four (4) year term for the vendor of record agreement compliments the life cycle of the equipment and reduces the administrative effort to repeatedly conduct a formal Request for Proposal process. However, to protect the Services' interests, a formal process was requested in the RFP and will be implemented to review and verify that competitive prices are received during the term of the agreement.

Mr. Tony Veneziano, Chief Administrative Officer, Administrative Command, will be available to answer any questions that the Board Members may have.

Mr. Tony Veneziano, Chief Administrative Officer, and Mr. Angelo Cristofaro, Director of Finance and Administration, were in attendance and responded to questions by the Board about this report.

The Board discussed a number of issues related to the purchase of technology equipment, including: the need for a complete review of the procurement process within the Service; how the Service will respond to single-bidders and suppliers who send notices of "no submission"; and how the Service disposes of used equipment and the criteria that are applied to identify the organizations to which the old equipment will be donated.

The Board reiterated a request from its December 15, 2005 meeting that the Service conduct a review of the procurement process and provide a response, with recommendations for improvement, to the Board for its March 23, 2006 meeting (Min. No. P411/05 refers). Mr. Veneziano advised the Board that a complete review would be conducted and that a comprehensive report would be submitted but requested an additional period of two months in which to submit the report.

The Board received the foregoing report and approved the following Motions:

- 1. THAT the Board approve an expenditure of up to \$2,033,000, including all taxes (\$1,900,000 net of GST rebate), for the acquisition of 509 workstations, 161 laptop computers and 145 printers, and related professional services, from NexInnovations in 2006;**
- 2. THAT the Board approve a four year maintenance agreement for the 509 workstations and 161 laptop computers from NexInnovations, the total cost of which is included in Motion No. 1;**

3. **THAT the Board authorize the Chair to execute all required agreements and related documents on behalf of the Board, subject to approval by the City Solicitor as to form;**
4. **THAT the Chief of Police provide a report to the Board no later than the April 24, 2006 meeting on the process for obtaining a vendor of record, and the period of time which it will cover, for the continued supply of desktop equipment and maintenance and professional services;**
5. **THAT the date for the submission of the report from the Chief of Police on procurement issues be extended from the March 23, 2006 meeting to the May 18, 2006 meeting; and**
6. **THAT the Chief of Police provide a report to the Board for its June 15, 2006 meeting containing a matrix of all existing contracts and the process to be followed by the Service to ensure that there is consistent contract management throughout the Service.**

The Board noted that the maintenance agreement with NexInnovations in Motion No. 2 does not include coverage for the 145 printers that will be purchased from NexInnovations. The Service will obtain a separate maintenance agreement to cover the printers and the cost related to that agreement falls within the Chief's authority under By-Law No. 147 and does not require Board approval.

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#P73. ADJOURNMENT

Alok Mukherjee
Chair