

## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

I hereby give notice that an Ordinary Meeting of the Tenders Subcommittee will be held on:-

**DATE:**        **Friday**                    **12 September 2003**                    **TIME:**        **9.00 am**

**VENUE:**        **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider the business as set out herein and to take any necessary action connected therewith.

PP.



10 September 2003

Sharon Simiona  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8820

### **MEMBERSHIP:**

Councillors    JM    Clews, QSO, JP (Chairperson)  
                  GB    Presland (Deputy Chairperson)

Chief Executive

Director: City Services

Director: Corporate & Civic Services

Director: Strategy & Development

Director: Quality Assurance

Director: Finance

Maori Issues Manager

Mayor Bob Harvey, QSO, JP (ex officio)

Deputy Mayor CA Stone (ex officio)

(Quorum 4 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR AN ORDINARY MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD  
IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,  
ON FRIDAY, 12 SEPTEMBER 2003, COMMENCING AT 9.00 AM**

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) and (7A) of the Local Government Official Information Act and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Committee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 CONFIRMATION OF MINUTES**

Ordinary - 29 August 2003

**RECOMMENDATION**

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 29 August 2003, as circulated, be taken as read and now be confirmed.



#### 4 **CONTRACT NO. PK03638A - ECOSOURCED PLANT SUPPLY CONTRACT**

##### **PURPOSE OF THE REPORT**

Permission is sought to negotiate a four year contract with Techscape Limited for the supply of ecosourced plants for programmed revegetation projects from 2004 to 2007.

##### **BACKGROUND**

To fulfil Council's capital revegetation programme as provided for in the Long Term Council Community Plan, a large supply of ecosourced plants are required. Generally nurseries do not grow the number and types of trees and shrubs required for large-scale revegetation projects, therefore plants are needed to be ordered in advance. Techscape Limited has supplied ecosourced plants for many Council revegetation projects in previous years.

##### **STRATEGIC CONTEXT**

Ecosourcing supports the Green Network goal of seeking to: ensure the health of native ecosystems is protected and enhanced to ensure their long-term survival. Waitakere City Council has developed a nationally recognised Code of Practice for the sourcing, managing and labelling of plants for ecosourcing purposes.

##### **ISSUES**

Ecosourced plants are needed to meet revegetation requirements at the Waitakere Quarry, Kay Road Balefill, Piha sand dunes, Harbourview Reserve, Paremuka and other stream restoration projects in the Long Term Council Community Plan.

Plants need to be ordered up to two years in advance in order for seed to be collected, germinated and grown to a plantable size.

Techscape Limited is one of only three approved suppliers of ecosourced plants as per Waitakere City Council's ecosourcing Code of Practice. In 1999/2000 Techscape won a competitively tendered contract for the supply of ecosourced plants and in 2002/2003 Techscape was awarded a two year negotiated supply contract. The new four year negotiated contract includes the supply of ecosourced plants for 2003/2004 in addition to the supply of plants in the two year negotiated ecosourced plant supply contract let in 2002/2003.

Techscape's performance on these contracts over the past years has been more than satisfactory and they have the necessary resources to undertake the Ecosourced Plant Supply Contract work.

Under the Local Government Act 1974 section 247E (3) *"In considering whether or not to put any matter to tender and whether or not to accept any tender, the local authority shall have regard to its objectives as stated in its annual report to the public under section 223D of this Act."*

Accordingly it is recommended that a four year contract be negotiated with Techscape Limited for the following reasons:

- known performance in service delivery;
- improvements in the quality of work;
- familiarity with the Waitakere City Parks and Community;
- close working relationship;
- shared technology platforms; and
- cost savings to Council.

Letting a four year contract would involve committing funding from the 2003/2004, 2004/2005, 2005/2006 & 2006/2007 budgets. The Engineers Estimate for this contract is:

	Year 2003/04	Year 2004/05	Year 2005/06	Year 2006/07
Harbour View Reserve	\$101,733.92	\$101,733.92	\$101,733.92	
Henderson Creek	\$ 41,045.00	\$ 41,045.00	\$ 41,045.00	\$ 41,045.00
Olympic Park	\$ 27,374.15			
PAM	\$ 30,045.00	\$ 30,045.00		
Paremuka Esplanade		\$199,663.10		
Piha - Various	\$ 7,050.00	\$ 7,050.00	\$ 7,050.00	\$ 7,050.00
TED - Various	\$ 30,110.00	\$ 30,110.00	\$ 30,110.00	\$ 30,110.00
Waitakere Quarry		\$ 7,395.00	\$ 9,895.00	
<b>Total</b>	<b>\$237,358.07</b>	<b>\$409,647.02</b>	<b>\$179,938.92</b>	<b>\$ 78,205.00</b>

The proposed contract will include performance measures through a variety of key performance indicators (KPI's) that are to be measured under the contract. The KPI's will include:

- Completion of work programmes;
- Planting Contractor Complaints;
- Accurate reporting of required data;
- Environmental Compliance;
- Health and Safety;
- Quality Control.

## RESOURCES

Funding for the ecosourced plants to be supplied in 2003/2004, estimated at \$237,358.07 is allowed for in the 2003/2004 Annual Plan.

A commitment to fund the ecosourced plants to be supplied in 2004/2005, estimated at \$409,647.02 is required from the 2004/2005 Annual Plan.

A commitment to fund the ecosourced plants to be supplied in 2005/2006, estimated at \$179,938.92 is required from the 2005/2006 Annual Plan.

A commitment to fund the ecosourced plants to be supplied in 2006/2007, estimated at \$78,205.00 is required from the 2006/2007 Annual Plan.

Techscape Limited has the resources to supply the numbers of ecosourced plants required from 2004 to 2007.

## CONCLUSION

A four year contract is needed to ensure that a supply of ecosourced plants is available to meet revegetation programme requirements from 2004 to 2007.

Techscape Limited has a proven track record for the supply of ecosourced plants.

## RECOMMENDATIONS

1. That the information be received.
2. That approval is given to negotiate a four year contract with Techscape Limited for the supply of ecosourced plants from 2004 to 2007.

Report prepared by: Alan Duxfield, Parks Project Manager, Environmental.



**5 CONTRACT NO. IM03086A - INTERNET SERVICE PROVIDER**

**PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to enter into a contract with Kaon Technologies Limited to be Council's Internet Service Provider through to 30 June 2004 without going out to tender.

**BACKGROUND**

Kaon is Council's current Internet Service Provider (ISP), and their services include:

- Council's link to the Internet;
- Technical assistance for all Council's network security requirements;
- Providing the necessary hardware and software for Council's internet link;
- Council's technical Gateway to the Internet;
- Facilitate the use of Council's external email;
- Provide the facility for Council's remote access.

Kaon has provided a very good level of ISP service and is the Internet Service Providers for Manukau, North Shore and Whangarei City Councils.

**ISSUES**

As Council is presently in the process of upgrading its wide area network infrastructure, and is investigating shared ISP service opportunities with the other Councils through the Shared Services project, it would be advantageous for Council to review these services next year and, if possible, test the market in conjunction with the other Councils. For these reasons it is proposed that Council enter into a contract to 30 June 2004 to bring ISP services into line with the other contracts.

**RESOURCES**

The expected cost for the period to 30 June 2004 is \$45,000 and \$54,000 for 2004/2005 plus GST, all of which is provided in the 2003/2004 Annual Plan and subsequent Long Term Council Community Plan.

**CONCLUSION**

It will be recommended that Council enter into a contract with Kaon Technologies Limited to provide Internet Services for the current financial year, with an option to extend for a further year if the Regional Shared Services project selects Kaon as the preferred Internet Service Provider.

On this basis it is recommended that the Tenders Subcommittee approve a Internet Service Provider contract without going to tender, in accordance with the provisions of Council's Procurement Policy, noting that in order to satisfy the requirements of policy, the reasons for not going to tender are required to be recorded in writing

**RECOMMENDATIONS**

1. That the information be received.

2. That, in accordance with Council's Procurement Policy, the Internet Service Provider (ISP) Contract No. IM03086A be approved without going to competitive tender as Council will be undertaking a review of the ISP service requirements and providers and through the Shared Services project in 2004 once it has upgraded its wide area network.
3. That the Internet Service Provider Contract No. IM03086A for the supply of Council's Internet connection through to 30 June 2004 for \$45,000 plus GST, with a one year right of renewal for \$54,000 plus GST, be awarded to Kaon Technologies Limited.
4. That the Director: Corporate & Civic Services be delegated authority to enter into the contract with Kaon Technologies Limited on behalf of Council.

Report prepared by: Mark Lovell, IM Operations Manager (Acting).



## 6 **CONTRACT NO. IM03093A - UNIX SUPPORT SERVICES**

### **PURPOSE OF THE REPORT**

The purpose of this report is to seek approval to enter into a contract with Open Systems Specialists Limited (OSS) to provide Unix Support Services through to August 2004 without going out to tender.

### **BACKGROUND**

The main focus of this contract is for the support of the Unix Operating and Informix Database Systems, which run Council's core enterprise application GEMS as Council does not have the required level of in-house skill to support this platform.

Open Systems Specialists Limited are currently providing this service, which includes:

- Unix, Linux and Informix/Gems administration services;
- Second level 24x7 support for our Unix based systems;
- SQL Server Administration services;
- Second level business hours support services for our SQL based systems.

### **ISSUES**

To date Council has received a very good level of service from Open Systems Specialists Limited and they have acquired an extensive local business and technical knowledge in supporting the GEMS operating environment, which will become a legacy system within a couple of years.

Council will be commencing a GEMS replacement programme early in 2004 and it is anticipated that GEMS will be replaced within two years and therefore it would be advantageous for Council to continue with the present outsourcing arrangement to support Council's operating platform for its core enterprise application GEMS and utilise its internal resource on the future GEMS replacement solution. There is thought to be no benefit in going to tender at this time.

## RESOURCES

The cost for this service is anticipated to be \$93,000 plus GST per annum, which is provided in the 2003/2004 Annual Plan and Long Term Council Community Plan.

## CONCLUSION

It will be recommended that Council enter into a contract with Open Systems Specialists Limited for Unix and Informix Support Services for GEMS, with an option to extend for up to a further two years dependent of progress with the GEMS replacement programme.

On this basis it will be recommended that the Tenders Subcommittee approve the proposal without going to tender, in accordance with the provisions of Council's procurement policy, noting that in order to satisfy the requirements of policy, the reasons for not going to tender are required to be recorded in writing.

## RECOMMENDATIONS

1. That the information be received.
2. That in accordance with Council's Procurement Policy, the contract for Unix and Informix Support Services Contract No. IM03093A be approved without going to competitive tender due to the fact that Open Systems Specialists have significant site and GEMS environment knowledge, and that the system is to be replaced over the next two years and there is considered little point in bringing a new contractor up to system knowledge levels for a "run-out" system.
3. That Contract No. IM03093A (Unix Support Services) for the supply of Unix Support Services be awarded to Open Systems Specialists for \$93,000.00 plus GST with an option to extend for up to a further two years.
4. That the Director: Corporate & Civic Services be delegated authority to enter into the contract on behalf of Council.
5. That the Director: Corporate & Civic Services be delegated authority to exercise Council's right to extend the contract dependent on progress with the GEMS replacement programme.

Report prepared by: Mark Lovell, IM Operations Manager (Acting).



7 **CONTRACT NO. IM02062B - PREFERRED SUPPLIER AGREEMENT FOR PERSONAL COMPUTERS, AND ASSOCIATED HARDWARE AND SOFTWARE**

**PURPOSE OF THE REPORT**

This report seeks approval of the Tenders Subcommittee to award the contract to establish a preferred supplier relationship for the supply of:

- Desktop Personal Computers, including monitors.
- Mobile Computers including Laptop Computers and Personal Digital Assistants (PDAs)
- Ad-hoc hardware and software purchases not covered under existing contracts.

**BACKGROUND**

In 2001, Council established two-year contracts for preferred supply of desktop and laptop PCs, with Datacom Systems Limited and GSB Supplycorp Limited respectively. With expiry of these contracts, and planned upgrades as recently discussed under contract IM02062A (Preferred Supplier Agreement for Council's IT Infrastructure), an open 'Request for Proposal' was issued to the IT reseller community, seeking a preferred supply agreement covering both these areas, plus the addition of ad-hoc items of software and hardware not covered under existing contracts. Examples of this latter class of item are low volume software purchases such as 'Adobe Pagemaker' (used for desktop publishing by a small number of users) and ad-hoc hardware purchases of items such as ergonomic keyboards and digital cameras.

The objective of consolidating these areas into a single agreement is to gain supply chain efficiencies to help cut the overhead cost of procurement, and by aggregating purchasing currently spread across three suppliers to increase the value of Council as a customer, and gain greater leverage in terms of securing a predictable and competitive level of discounting across a range of products.

The standard IT industry process for supplying hardware is for a manufacturer (e.g. Hewlett Packard, IBM, Compaq) to offer discount to its large volume customers. The manufacturer, however, does not sell direct to customers, rather they go through the route of offering that discount to a Reseller, who then acts as broker to supply the customer with the goods. This is where the Request for Proposal (RFP) for supply normally adds value to Council, as the percentage mark up of Suppliers, Distributors and the Reseller is minimised by the competitive process. It should be noted that one proposal was received from a manufacturer with a direct sales model, and this was where possible evaluated in the same manner as the other proposals.

The hardware and software components of the Request For Proposal have been set up to award the pricing model of the reseller rather than a lump sum price for supply of same. In this way Council contracts for an agreed discount rate over the life of the contract, whilst maintaining the flexibility to change volumes and models of the various platforms and other items as required.

## RESPONSES RECEIVED

Responses were received from eight firms per Table 1.

Reseller	Office
ATL Systems NZ Ltd	128 Khyber Pass Rd, Auckland.
Computerland / Ceritas NZ Ltd	104 – 106 Customs St. West, Auckland.
Datacom Systems Ltd	106 Vincent St, Auckland.
Dell Computer Ltd	4 Pacific Rise, Mt Wellington.
Eagle Technology Group Ltd	Epsom Stand, Alexandra Park, Greenlane
Fujitsu NZ Ltd	117 Khyber Pass Rd, Auckland.
JDI Ltd	23 Falcon St., Parnell.
Maclean Computing Ltd	25 Union St., Auckland.

**Table 1 - Summary of Respondents.**

## PROPOSAL EVALUATION

Proposals were evaluated generally in accordance with the " Weighted Attributes Price Method " contained in Transfund New Zealand's "Manual of Competitive Pricing Procedures".

The overall evaluation methodology and process has been as follows:

1. All responses were evaluated for price and attributes. Non-price attributes were evaluated individually by members of the evaluation team, and the results averaged for each factor. Price attributes were evaluated separately after completion of the non-price attribute evaluation, and were independently checked for accuracy. It is noted that the process was not run as a formal 'two-envelope' tender.
2. The top three responses were identified for further evaluation involving reference checking against existing customers with similar profiles to Council in terms of the nature of the relationship and size of organisation, with preference given to other Local Authority or Government customers where appropriate.
3. Short-listed Desktop PCs were made available for end user evaluations, and the results of this process were used to finalise the technical evaluation.
4. Final allocation of scores and ranking, including a Total Cost of Ownership analysis on different monitor options, as detailed below.
5. A credit check was undertaken in respect of the recommended supplier; this proved satisfactory.

Respondents were invited to tender prices for both flat panel TFT (Thin Film Transistor) monitors and conventional CRT (Cathode Ray Tube) monitors, as recent relative price drops of the former, made the business case for the Thin Film Transistor monitors worth evaluation.

A TCO (Total Cost of Ownership) comparison was undertaken on each of the proposals, and it was found that where manufacturers offer a five year warranty for Thin Film Transistor monitors, against the standard three years for Cathode Ray Tube monitors, the annual Total Cost of Ownership was comparable in both cases. A summary of the results is presented below.

Average annual TCO - TFT monitors - 5 year warranty	\$107.00
Average annual TCO - CRT monitors - 3 year warranty	\$ 93.31

**Table 2 – Comparison of Annual Total Cost of Ownership of TFT and CRT monitors**

Given this result is not conclusively in favour of the Thin Film Transistor monitor, an assessment of the Health and Safety issues was undertaken by Council's Health/Safety and Quality Auditor, the findings of which are summarised below.

From a Health & Safety (H&S) perspective the use of Thin Film Transistor Flat screens over traditional CRT Monitors, can be useful for a number of reasons, as follows:

- The Health & Safety in Employment Act 1992, requires the employer to "take all practicable steps" to ensure the safety & well-being of its staff. Though the Act is generally non-prescriptive there is clear recognition that in some instances the Thin Film Transistor Flat screens are a lot more user-friendly from a health and safety perspective than Cathode Ray Tube monitors. Given the low cost difference, use of Thin Film Transistor screens in these circumstances would seem to be a practicable step Council could take;
- As the screen is thin it uses less space on the workstation. Lack of space on workstations can be a problem as in some cases a substantial percentage of the workstations cannot be used due to the space displaced by the Cathode Ray Tube Monitor;
- The Thin Film Transistor screen can be placed further back allowing the operator a more variable range of focus to accommodate a larger range of employees;
- The Thin Film Transistor screen is clearer, with a more defined colour contrast, which can lessen eye fatigue & improve productivity;
- There are less glare issues with a Thin Film Transistor screen in comparison with a Cathode Ray Tube Monitor, although other measures can be used to address this;
- The lighter weight of the Thin Film Transistor screens means that support staff has less weight to carry (and less risk) when shifting the equipment.

In addition to the Health and Safety benefits, it is estimated that Council will save around \$12.00 per unit per annum in power and air-conditioning costs, based on an industry standard model and current Council weekday-day unit power cost of \$0.0824. There are other indirect environmental benefits, more difficult to quantify, but relevant given Council's principles. These include:

- lower embodied energy in the product;
- inherently more cost and energy effective manufacturing systems used;
- lighter weight (4.4 vs.20.5kg shipping weights) result in cheaper transport and warehousing costs.

Council places a strong focus on Health and Safety, and Environmental responsibility. However Council has experienced a relatively low level of Health and Safety incidences with its use of Cathode Ray Tube monitors. On this basis, it is not proposed to do a wholesale change from Cathode Ray Tube monitors to Thin Film Transistor screens at this time, but rather to obtain approval to the use of Thin Film Transistor monitors where specific Health and Safety concerns or space constraints mandate their use.

It is noted that standardising on Thin Film Transistor monitors would increase the value of this contract by an estimated \$67,000 per annum in comparison with the Cathode Ray Tube option offered by the same reseller.

It is further noted that in the overall evaluation for both the Cathode Ray Tube and Thin Film Transistor options, the same reseller attained both the highest score, and lowest price. Accordingly, the choice of technology does not affect the recommendation as to which reseller to award the contract to.

It is anticipated that the cost of Thin Film Transistor monitors will decrease significantly in the near future, and it is further recommended that Council keeps the option under this contract to standardise on Thin Film Transistor monitors at a future time, when a Total Cost of Ownership analysis can demonstrate that the balance has shifted in favour of Thin Film Transistor monitors.

Table 2, below, summarises the final scores arrived at from the evaluation process, using the costs for CRT monitors.

	Attributes	Relevant Experience & Track Record	Technical Skills and Appropriate Resources	Contract Terms	Specification	TCO	Contract Number IM02062B
	Weights	5	5	7.5	22.5	60	Total Weights
	<b>Project Sum</b>	<b>Grade</b>					<b>INDEX</b>
ATL	\$1,588,574	64%	67%	79%	91%	52%	64%
Datacom	\$1,601,812	52%	66%	73%	90%	51%	62%
Computerland	\$1,618,558	61%	69%	55%	90%	50%	61%
Fujitsu	\$1,611,923	37%	64%	70%	90%	50%	61%
Eagle	\$1,614,179	40%	64%	64%	90%	50%	60%
Maclean Computing	\$1,719,923	41%	53%	48%	76%	43%	51%
Dell	FAIL	FAIL	37%	FAIL	56%	FAIL	FAIL
JDI Corporate	FAIL	36%	FAIL	FAIL	76%	FAIL	FAIL
<b>Med.n Tender Price</b>	\$1,613,051						

**Table 3 - Summary of evaluation scores.**

### TAGS, ERRORS OR OMISSIONS

Dell Computer Limited was unable to supply a price model for the ad-hoc hardware and software section of the Request For Proposal, and also failed to supply discount rates for all sections. They were also unable to meet our delivery KPI requirements, and because of their business model were unable to deliver any of the added value services Council expects from such a relationship.

Eagle Technology also failed to supply the pricing model information in the required format, and had their proposal been amongst the top three, this would have required further scrutiny. Enough information was provided for a contract value to be derived, and the proposal fully evaluated.

JDI Corporate failed to supply a significant amount of requested information, causing their response to be deemed non compliant.

Maclean Computing also failed to supply the pricing model information in the required format, and had their proposal been amongst the top three, this would have required further scrutiny. Enough information was provided for a contract value to be derived, and the proposal fully evaluated.

### SUMMARY

Based on the evaluation results it will be recommended that ATL be awarded the contract for the supply of:

- Desktop Personal Computers, including monitors;
- Mobile Computers including Laptop Computers and Personal Digital Assistants (PDAs);
- Ad-hoc hardware and software purchases not covered under existing contracts.

## JOB COSTS

Using the unadjusted proposal rates and unit prices, costs in each contract subsection are anticipated as being as follows:

Category	Period	Amount	
Desktop PCs and Monitors	2003/2004	\$397,850	
Desktop PCs and Monitors	2004/2005	\$397,850	
Desktop PCs and Monitors	2005/2006	\$397,850	
Laptop PCs	2003/2004	\$67,517	
Laptop PCs	2004/2005	\$67,517	
Laptop PCs	2005/2006	\$67,517	
PDA's	2003/2004	\$9,840	
PDA's	2004/2005	\$9,840	
PDA's	2005/2006	\$9,840	
Ad-hoc hardware and software	2003/2004	\$54,317	
Ad-hoc hardware and software	2004/2005	\$54,318	
Ad-hoc hardware and software	2005/2006	\$54,318	
		<b>\$1,588,574</b>	<b>Ex GST</b>

These projected commitments are used to calculate the contract value in the Request For Proposal evaluation, and are based on **anticipated usage**. These are drawn from a number of sources including the IT Asset Register, historical spend for 2002/2003, budget figures for 2003/2004, and projections for the term of the contract with allowance made for both growth in the install base and expected hardware unit cost reductions.

## SOURCE OF FINANCE

Sources of finance are approved for the current Annual Plan period, and allowance has been made for future periods in the Long Term Council & Community Plan.

Sources of funds from the 2003/2004 Annual Plan are as follows:

	Codes	Budget - Amount	Allocation to this Contract
Desktop & Laptop PCs and Monitors	15-1820-11400-258	\$1,026,606	\$465,367
PDA's	15-nnnn-16000-256	\$103,602	\$9,840
Ad-hoc hardware	15-nnnn-16000-256	\$103,602	\$49,829
Ad-hoc software	15-nnnn-16000-264	\$53,864	\$7,257

Note: Individual sections maintain their own budget amounts for and control of low value hardware and software purchases, with the purchasing and asset management functions centralised within the Information Management section. Hence it is necessary to use generic budget codes above, in order to present aggregate budget information for all Council expenditure in this area.

## RECOMMENDATIONS

1. That the information be received.

2. That ATL Systems Limited be awarded the three-year preferred supplier contract (Contract Number IM02062B) for the supply of:
- Desktop Personal Computers, including monitors;
  - Mobile Computers including Laptop Computers and Personal Digital Assistants (PDAs);
  - Ad-hoc hardware and software purchases not covered under existing contracts.

and that subject to changes arising for the following reasons:

- Change in exchange rate;
- Model superseded and manufacturer's price lower or higher than for base model;
- Variation in number of units purchased;
- Deployment of Thin Film Transistor monitors on the basis of functional requirements;
- Deployment of Thin Film Transistor monitors on the basis of Total Cost of Ownership comparable with that for Cathode Ray Tube monitors;

costs in each contract subsection be awarded and committed in the Annual Plans for 2003/2004, 2004/2005 and 2005/2006 (noting that provision has been made for this expenditure in the Long Term Council Community Plan for 2004/2005 and 2005/2006) as follows:

<b>Category</b>	<b>Period</b>	<b>Amount</b>	
Desktop PCs and Monitors	2003/2004	\$397,850	
Desktop PCs and Monitors	2004/2005	\$397,850	
Desktop PCs and Monitors	2005/2006	\$397,850	
Laptop PCs	2003/2004	\$67,517	
Laptop PCs	2004/2005	\$67,517	
Laptop PCs	2005/2006	\$67,517	
PDAs	2003/2004	\$9,840	
PDAs	2004/2005	\$9,840	
PDAs	2005/2006	\$9,840	
Ad-hoc hardware and software	2003/2004	\$54,317	
Ad-hoc hardware and software	2004/2005	\$54,318	
Ad-hoc hardware and software	2005/2006	\$54,318	
<b>Total</b>		<b>\$1,588,574</b>	<b>Ex GST</b>

3. That the Director: Corporate & Civic Services be delegated authority to enter into the preferred supplier contract with ATL Systems New Zealand Limited on behalf of Council.

Report prepared by: Simon Leigh, IM Infrastructure Project Manager.

