



NOTICE OF MEETING

TENDERS SUBCOMMITTEE

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

DATE: **Friday** **19 July 2002** **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.

12 July 2002

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: Strategic Projects

Director: Strategic Group

Director: Finance

Director: City Enterprises

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, 19 JULY 2002,
COMMENCING AT 9.00 AM.**

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WAITAKERE CITY, ON FRIDAY, 19 JULY 2002,
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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 Subcommittee 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 - 5 July 2002

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Tenders Subcommittee held on Friday, 5 July 2002, as circulated, be taken as read and now be confirmed.



4 SUN SUPPORT AGREEMENT

PURPOSE OF THE REPORT

This reports seeks the Tenders Subcommittee's approval to accept a quotation from Sun Microsystems (NZ) Limited to the value \$63,234 plus GST, for supply of hardware and software maintenance for our Sun platforms for the period 1 July 2002 to 30 June 2003. It is proposed that no tender will be held as there is no other provider in the current New Zealand market that is able to supply this specific support to the Council.

BACKGROUND

The Sun platforms in question are the production and test servers which host GEMS, which is Council's main business system for financial management, rating and the other core local authority functions.

By having a hardware and software maintenance contract for these systems, Council is guaranteed an on-site response time (two hours for the production server and four hours for the test server) by the vendor's engineering support staff, and guaranteed restoration of the system in the event of any hardware failures. Council also gains access to telephone support at any time, and is assured of receiving relevant operating system software upgrades and patches when they become available.

If Council was to elect not to put these systems under a maintenance contract, support would only be provided on a 'best efforts' time and materials basis, which would expose us to an unacceptable level of risk to Council's single most critical Information systems platform.

A conservative estimate is that it would take less than two days of system downtime for the costs in terms of lost productivity to exceed the contract value, and as the production server in question is getting towards the end of its useful life, the probability of a major hardware failure is becoming a more significant risk, and Council could be seen to be negligent if steps were not taken to minimise exposure to this risk. Even if Council was to replace the server within the next year, this contract would still be of use in respect of any new server.

ISSUE

It has been determined that the tendering of Council's Sun support requirements for the applicable platforms will not result in tenders being received from any party other than Sun Microsystems (NZ) Limited, and that tendering would not result in a reduction of the contract price.

On this basis it is recommended that the subcommittee approve the proposal without going to tender, under the provisions of section 247E of the Local Government Act. In order to satisfy the requirements of section 247E, the reasons for not going to tender must be recorded in writing.

FINANCIAL

As a recurring maintenance cost, funding for this contract has been allowed for in the 2002/2003 financial year Computer Maintenance budget.

RECOMMENDATIONS

1. That the information be received.
2. That no tender be called for the supply of Sun hardware and software maintenance services, on the basis that Sun Microsystems (NZ) Limited is the only market participant able to supply the specific service that meets Council's requirements.
3. That the contract for the supply of Sun hardware and software maintenance services for the 2002/2003 financial year, in the value \$63,234.00 plus \$7,904.25 GST, totalling \$71,138.25, be awarded to Sun Microsystems (NZ) Limited.
4. That the Director: Corporate & Civic Services be delegated authority to enter into the contract with Sun Microsystems (NZ) Limited on behalf of Council.

Report prepared by: Simon Leigh, ITS Operations Manager.



5 REFURBISHMENT OF RECORDS AND ARCHIVES AREAS

PURPOSE OF THE REPORT

This report is to seek the Tenders Subcommittee's resolution under section 247E of the Local Government Act 1974 to accept a quotation from Hamilton Perry Industries to acquire additional storage shelving for Council's record keeping in the Records Area adjacent to the Archives where their recent installation met all required standards. Section 247E requires that where significant contracts do not go to tender the reasons are recorded in writing.

BACKGROUND

As Council has recently obtained market quotes for shelving (Archives and Consents Areas) and Hamilton Perry Industries consistently provided the best ratio of storage volume to price, only one quote was requested for the Records Area. This also provides the benefit of having compatible shelving in adjacent storage areas.

ISSUES

One of the biggest record keeping needs in Council, and also the one facing the most urgent space problem, is the property and site files of Consent Services.

The current shelving in the Records Area is varied in style, often unsuited to the purpose, generally of poor condition and entirely static. A review of how effectively a modern mobile system can use space allows the option of refurbishing the area to provide several hundred metres of storage for property and site files and still provide for other Council storage needs.

RESOURCES

The Records Area refurbishment has provision in the 2002/2003 Annual Plan for shelving and temporary records storage.

CONCLUSION

Recent experiences with Hamilton Perry Industries has shown that they provided the best ratio of storage volume to price and therefore it will be recommended that Council proceed with the records area refurbishment on the basis of a received quote of \$48,080 plus GST from Hamilton Perry Industries.

RECOMMENDATIONS

1. That the information be received.
2. That no tender be called for the supply and installation of mobile shelving for the Records Area on the basis that Hamilton Perry Industries provide the best ratio of storage volume to price that meets Council's requirements and that recent market testing has confirmed this.
3. That the quote from Hamilton Perry Industries for the supply and installation of mobile shelving in the sum of \$48,080.00 plus \$6010.00 GST totalling \$54,090.00 be accepted.
4. That the Director: Corporate & Civic Services be delegated authority to enter into the contract with Hamilton Perry Industries on behalf of Council.

Report prepared by: Bruce Symondson, Archivist.

