

TO: CITY MANAGER

1995 August 23

FROM: INFORMATION SERVICES DIRECTOR

SUBJECT: COMPUTER HARDWARE AND SOFTWARE  
MAINTENANCE AGREEMENT

PURPOSE: To obtain Council approval to enter into a three year agreement with Digital Equipment of Canada Limited to provide computer hardware and software maintenance and repairs.

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RECOMMENDATION:

1. THAT an agreement be entered into with Digital Equipment of Canada Limited to provide computer hardware and software maintenance and repairs for a three year period ending 1998 June 30 for a maximum total cost of \$287,872.08.

REPORT

The Central Site Computer System is covered by a three year maintenance agreement with Digital Equipment of Canada. This agreement covers regular preventive maintenance, repairs and the replacement of all component parts and equipment for a predetermined fee.

The maximum total cost of the recommended three year agreement is \$287,872.08. This figure includes the maximum allowable increase of 5% in the second and third years of the agreement. However, the actual value of the agreement may be less should all or part of the allowable increases be avoided.

The rationale for the three year agreement is that the City receives price protection for the term of the agreement, which is significant as maintenance costs tend to escalate over time.

Digital Equipment is the only supplier able to provide the required services. Staff consider the services provided by them to represent excellent value.

The Purchasing Agent and the Director Finance concur with this recommendation.



R. Taylor  
INFORMATION SERVICES DIRECTOR

RT:aj

cc. Purchasing Agent

Director Finance