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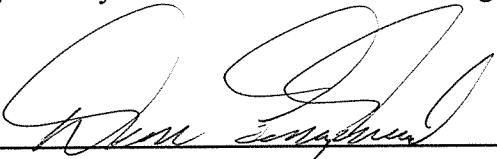


PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Halifax Regional Council  
March 7, 2006

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

  
\_\_\_\_\_  
Dan English, Chief Administrative Officer

  
\_\_\_\_\_  
Wayne Anstey, Acting Deputy Chief Administrative Officer

**DATE:** February 24, 2006

**SUBJECT:** Award of Request for Proposal # 05-424 - Wide Area Network Solution(s)  
\_\_\_\_\_

**ORIGIN**

This report originates from staff. A new five year agreement for the supply of Wide Area Networking services is required, and in addition, staff will be able to reduce costs and improve networking capabilities through a new agreement for Wide Area Network Solution.

**RECOMMENDATIONS**

It is recommended that Halifax Regional Council:

1. Award RFP # 05-424, Wide Area Network Solutions(s), to the highest ranking proponent, Eastlink, for a three(3) year period at a price to a maximum of \$244,507.00 per year (net HST included) from Operating Account No. A440-6711 with funding authorized as per the Budget Implications Section of this report.
2. Authorize staff to extend this agreement for an additional two(2) one year periods subject to annual performance review.

Note: Eastlink has offered an additional 10% reduction in costs for year 4 plus a further 10% reduction in costs for year 5.

**BACKGROUND**

The current contract for Wide Area Network (WAN) Services has expired.

**DISCUSSION**

The purpose of this RFP is to establish a new contract for WAN services with a service provider that will provide us an affordable, technically robust system. The solution needs to address the areas of network connectivity, support and monitoring of our networking infrastructure. The solution must be capable of meeting the bandwidth requirements, both as they apply to the current and future needs of our enterprise applications such as SAP, HANSEN, CAD/RMS, GIS, Email, and internet access.

The recommended Wide Area Network Solution will meet the needs of our current application and next generation technologies such as Voice over IP (VOIP) and video conferencing. This solution will allow for further consolidation of servers, central management of our systems, faster deployment of applications and less staff travel to address system issues. It will provide faster system access for the majority of the sites connected to the Wide Area Network, with no sites seeing a reduction in service.

A total of three (3) proposals were received and evaluated by IT and Procurement staff as well as a IT representative from the Halifax Regional Water Commission. Proposals were evaluated on the basis of knowledge of technology, software/hardware, quality of solution and cost (a complete scoring matrix is attached).

A summary of the aggregate scoring by proponent is as follows:

<b><u>Company Name</u></b>	<b><u>Aggregate Scores</u></b> <i>(maximum of 1000)</i>
Eastlink	880*
Aliant	800

**\* Recommended proponent**

*Note: A proposal received from INT Inc. did not meet the technical requirements of the RFP.*

The cost component of the Eastlink proposal represents a \$235,989.00 saving from our current price structure over three years, representing an annualized savings of \$78,663.

3 Year Costs (net HST included)	<b><u>Current Cost</u></b>	<b><u>New Cost</u></b>	<b><u>Net Savings</u></b>
	\$969,510.00	\$733,521.00	\$235,989.00

**BUDGET IMPLICATIONS**

Funds are available from Operating Account # A440-6711 - Communications System

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

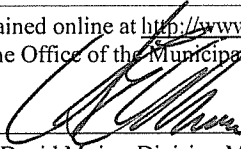
**ALTERNATIVES**

There are no recommended alternatives.

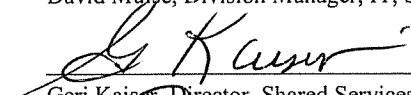
Attachment - Evaluation Sheet

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared/Approved by:

  
David Muijse, Division Manager, IT, Shared Services at 490-6555

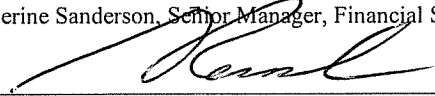
Report Approved by:

  
Geri Kaiser, Director, Shared Services at 490-4630

Report Approved by:

  
Catherine Sanderson, Senior Manager, Financial Services at 490-1562

Financial Review by:

  
Gordon Roussel, Financial Consultant, Financial Services at 490-6468

Scoring Matrix

**HALIFAX REGIONAL MUNICIPALITY  
PROPOSAL EVALUATION RFP# 05-424  
WIDE AREA NETWORK**

CRITERIA		MAX SCORE	SUBMISSION	
			Eastlink	Aliant
1	<b>Expertise of Firm and Project Team and Understanding of Scope of Work.</b> <ul style="list-style-type: none"> <li>- Personal qualifications and experience</li> <li>- Demonstrated knowledge of technology and software/hardware</li> <li>- Relevant skill sets possessed by firm and personnel</li> <li>- References</li> <li>- Extent to which the proposal meets the requirements of HRM as defined in this RFP.</li> </ul>	250	195	210
2	<b>Proposed Solutions:</b> <ul style="list-style-type: none"> <li>- Stated solution(s) meet proposals objectives</li> <li>- Quality of solutions approach</li> <li>- Quality of documentation</li> <li>- Consideration of options and solutions</li> <li>- Ability to provide future solution requirements (ie. VOIP, Wireless, E-Commerce, etc.)</li> </ul>	400	335	270
3	<b>Fee Proposal</b>	350	350 \$244,507.00 per year	320 \$267,679.00 per year
<b>TOTAL</b>		<b>1000</b>	<b>880</b>	<b>800</b>
		<b>RANKING</b>	<b>1</b>	<b>2</b>