



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2013-0231

TO: Mayor and City Council Members
FROM: Bob Grace, MIS Department, 248-841-2475
DATE: June 14, 2013
SUBJECT: Network Switching Equipment Upgrade

REQUEST:

City Council is requested to approve the purchase of equipment, software and professional services for a network upgrade project from INS Professional Services, LLC, Novi, MI in the amount of \$60,000 which includes a 5% contingency (INS \$57,106, Contingency \$2,894). This project will involve network switching, related management software and necessary professional services to complete the transition.

REASON FOR PURCHASE:

The City's existing switching infrastructure is aging and in need of replacement. You can think of it as the circulatory system of the network. Switching is one of the four main sections of the network. The other three sections are Servers, Storage, and Security which have been upgraded recently. The existing switching was originally designed in 1999, with an intended lifespan of eight to ten years. We are now approaching fourteen years in service for the existing system. The switches are outdated and are impacted by increasing application speed demands. The switching system is the communication backbone of the network. Significant changes in usage, storage, and communication, including networked telephony and the use of the Internet, have taken place in the last fourteen years impacting its effectiveness.

The proposed upgrade will take advantage of the increased speed and advanced capabilities of modern switching design. While appearing simple on the surface (just a stack of network switches providing connectivity) there is a significant amount of configuration and integration work that must take place. This must all be done while not impacting the day to day operations of the city.

An RFP was issued for the project. 520 vendors received notice of the project. The city received four "No bid" responses and only one responsive, but well qualified bid. INS Professional Services, LLC of Novi, MI was selected as the only proposer offering the best value and lowest price to the City for this project. In light of the single bid received, pricing for the hardware components was checked against several cooperative purchasing contracts as well as online vendors. They were found to be anywhere from 20% to 50% higher than the single responsive bidder. As far as the professional services integration work, we believe that vendors are very busy and not interested in taking on a small project or do not have the necessary certifications to perform the integration work. We did get a response from a vendor indicating that was the case.

We do not feel that the RFP can be changed in such a way to achieve either a lower price or more bidders. As bid, the project is under the budgeted amount of \$60,000 and we are confident this is a fair price.

PROCESS:

Vendor Name and Address:

INS Professional Services, LLC
41039 S. McMahon
Novi, MI 48375

Reason for Selection:

Quality Based Selection from RFP based on Price, Product, Company and Level of Service provided. Best Value.

Method of Purchase:

Contract/Purchase Order

BUDGET:

This project is budgeted within the 2013 MIS budget and has been planned and scheduled through the Capital Improvement Plan as IS-10B, Computer Network Upgrade Schedule. Assuming the project contingency is not needed, the project will be completed at 5% under budget.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
MIS	636.980.000	IS-10B Computer Network Upgrade Schedule	\$60,000	\$60,000	\$0

RECOMMENDATION:

To upgrade our network switching up to current standards, it is recommended that City Council authorize the network upgrade project, including the purchase of network switching, related management software and necessary professional services to complete the transition, etc., in the amount of \$60,000, which includes a 5% contingency, utilizing the products and services of INS Professional Services, LLC and other vendors as may arise.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		