

Amendment to Blanket Contract 47025000 with Onx Enterprise Solutions Ltd. for Storage/Network Switch Hardware and Maintenance

Date: November 24, 2025

To: General Government Committee

From: Chief Technology Officer and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to amend competitively-procured Blanket Contract 47025000 with Onx Enterprise Solutions Ltd., a Canadian supplier, for installation and manufacturer's warranty of Dell/EMC Brocade storage switch hardware and maintenance including the configured products and options required within the Technology Services Division.

The total value of the amendment requested is \$2,500,000 net of all applicable taxes and charges (\$2,544,000 net of Harmonized Sales Tax Recoveries), revising the current Blanket Contract value from \$3,500,000 to \$6,000,000 net of all applicable taxes and charges (\$3,561,600 to \$6,105,600 net of Harmonized Sales Tax Recoveries).

This amendment will purchase network switch hardware and maintenance services required for City of Toronto data centre state of good repair and modernization. At the time of writing this report, City staff verified through third-party analysis that pricing within this contract remains competitive.

The City operates three data centres to ensure data security and continuity of critical services like the website, 311, and corporate systems, protecting against hardware failure, human error, hacking, malware, or natural disasters through regular backups. A 2022 Enterprise IT Disaster Recovery program survey and Auditor General assessments revealed a need for increased data backup support and resources.

To meet this demand, the City is investing in upgrading data centre hardware and software, including fibre switches connecting servers to storage and backup. This amendment funds essential upgrades through May 2028, ensuring operational storage systems and rapid service restoration in emergencies, with a new competitive request for services planned for 2027.

RECOMMENDATIONS

The Chief Technology Officer and the Chief Procurement Officer recommend that:

1. The General Government Committee, in accordance with Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71, (Financial Control By-Law), grant authority to the Chief Technology Officer to amend Blanket Contract 47025000 with Onx Enterprise Solutions Ltd. by increasing the contract value by \$2,500,000 net of all applicable charges and taxes (\$2,544,000 net of Harmonized Sales Tax Recoveries), revising the current Blanket Contract Value from \$3,500,000 to \$6,000,000 (3,561,600 to 6,105,600 net of Harmonized Sales Tax Recoveries).

FINANCIAL IMPACT

The blanket contract amendment request included in this report will increase the total value by an additional \$2,500,000 net of all applicable taxes and charges (\$2,544,000 net of Harmonized Sales Tax Recoveries) and will increase the value from \$3,500,000 to \$6,000,000 (3,561,600 to 6,105,600 net of Harmonized Sales Tax Recoveries).

Funding for this increase will be allocated from the approved operating and capital budgets for Technology Services Division over the remaining term as follows:

Table 1: Financial Impact Summary (Net of Sales Tax Recoveries)

Division	Cost Centre	Cost Element	2025	2026	2027	2028	Total
Technology Services Division	IT1010	4472	-	\$101,760	\$203,520	-	\$305,280
	CIT702-07	3410	-	-	-	\$203,520	\$203,520
	CIT030-26	3410	\$1,526,400	\$508,800	-	-	\$2,035,200
Total Net of Sales Tax Recoveries (rounded to the nearest dollar)			\$1,526,400	\$610,560	\$203,520	\$203,520	\$2,544,000

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

In November 2024, the Audit Committee received an update on the City's Enterprise IT Disaster Recovery Program, including business continuity and cyber major incident management, as well as the status of IT disaster recovery plans from City of Toronto divisions, agencies, and corporations.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.AU7.4>

In December 2023, the Audit Committee requested the Chief Technology Officer, in coordination with the Chief Information Security Officer and the Executive Director, Toronto Emergency Management to report to the Audit Committee in the third quarter of 2024 on the status and progress of the Information Technology Disaster Recovery Plan from each City of Toronto division, agency and corporation; the status update should also be reported for the City of Toronto's Corporate Technology Services Disaster Recovery Plan, including business continuity and cyber major incident management. <https://secure.toronto.ca/council/agenda-item.do?item=2023.AU3.7>

In May 2023, the Bid Award Panel granted authority to the Chief Procurement Officer to award Ariba Document Number 3839678013 to Onx Enterprise Solutions Ltd. for the Supply, Delivery, Installation and Manufacturer's Warranty of Dell EMC Brocade Storage Switch Hardware and Maintenance to Technology Services. In 2024, an amendment for an additional \$500,000 net of all taxes and charges was processed, bringing the contract value to \$3,500,000 net of all taxes and charges. <https://secure.toronto.ca/council/agenda-item.do?item=2023.BA25.2>

In July 2022, the Audit Committee requested the Chief Technology Officer, in coordination with the Chief Information Security Officer and the Executive Director, Toronto Emergency Management to report to the Audit Committee in the third quarter of 2023 on the status of the Information Technology Disaster Recovery Plan from each City of Toronto division, agency and corporation, including the status update for City of Toronto's Corporate Technology Services Disaster Recovery Plan, business continuity, and cyber major incident management. <https://secure.toronto.ca/council/agenda-item.do?item=2022.AU13.9>

In November 2021, the Audit Committee requested the City Manager to report to the Audit Committee with information from each City of Toronto division, agency and corporation on their Information Technology Disaster Recovery Plan should the City's systems, technology, communications, or backups be made unavailable. The Chief Technology Officer was also requested to report to the Audit Committee with an update on the status of City of Toronto's Corporate Technology Services Disaster Recovery Plan, including implementation, testing and a full project plan for any outstanding work. <https://secure.toronto.ca/council/agenda-item.do?item=2021.AU10.8>

The Council motions related to Audit Committee are anchored on audit report [AU 7.3 - Disaster Recovery Planning for City Computer Facilities](#), which articulates on the City's contingency plans in the event of a disaster disabling City technology services. This audit report was adopted by the City Council on May 26, 2008.

COMMENTS

City divisions, agencies, and corporations create and manage large volumes of information systems and data. These digital records include a wide range of information, from routine operational information, like work orders or maintenance records, to sensitive or confidential information, like client records for City programs. The City is required by law to keep these records for minimal periods under the Toronto Municipal Code.

To ensure high levels of data security and privacy, the City manages and maintains three data centres. The impact of data loss and outage of information systems due to hardware failure, human error, hacking, malware, or a natural disaster could be significant. To safeguard against these threats and ensure business continuity, the City saves backup copies of its data at regular intervals to support continuity of critical services including the City of Toronto's website, 311, and corporate systems.

Through the City's Enterprise IT Disaster Recovery (DR) Program, the Technology Services Division (TSD) surveyed multiple divisions, agencies and corporations on the status of their IT disaster recovery plans in 2022. This engagement, combined with Auditor General audits and assessments, has indicated the need for increased support and resources to back up data at a larger scale than initially anticipated.

To meet this additional demand, the City has invested in sustaining and enhancing the hardware and software in the City's data centres. Fibre switches are an essential device in these data centres. They physically connect servers with storage devices and backup systems within a data centre, helping them communicate securely and efficiently as part of a larger storage network.

When this contract was competitively procured in 2023, the value for the supply and servicing of Brocade fibre switches was based on anticipated needs at the time and only included planned support for the Don Mills Data Centre. This blanket contract amendment incorporated the additional maintenance and expansion of the Tiffield Data Centre to meet the growing demand City-wide for data backup and storage.

The requested amendment will provide the necessary funding to ensure that critical storage systems remain operational, upgrades continue through the end of the contract term in May 2028, and essential services can be restored quickly in an emergency.

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SIGNATURE

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