



City Council Report

Date: November 23, 2015
To: City Council
Through: Alex Deshuk, Chief Innovation Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: PC Cycle Replacement Program Purchases of Computers, Ruggedized Laptops and Tablets for Various City Departments as requested by the Information Technology Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve the PC Cycle Replacement Program Purchases of Computers, Ruggedized Laptops and Tablets for Various City Departments as recommended.

The Information Technology (IT) Department, and Purchasing recommend authorizing a two-year contract using cooperative contracts with Dell Marketing LP; Apple Computer, Inc.; Panasonic Solutions; and Insight Public Sector; cumulatively not to exceed \$4,235,000.00, based on estimated quantities.

Background / Discussion

The PC Cycle Replacement Program has proven itself to be an efficient, effective approach to keeping the appropriate technology on City employees' desktops. With changing technologies and work processes, however, our need for flexibility in the planning, purchasing and provisioning of end user computing devices has increased. For example, instead of a laptop, a tablet might be a more efficient tool in accomplishing work goals or a fully ruggedized laptop might be suitably replaced by a less expensive semi-ruggedized unit. This two-year contract method for procurement with multiple vendors provides that flexibility.

The contract award amount reflects the IT department's funded and forecasted Lifecycle amounts for Cycle Replacement for each fiscal year plus estimated supplemental purchases that individual Departments may request throughout these two years outside of the cycle program. Approval of this request assures that IT can continue to provide appropriate technology to employees and helps to prepare the City for the deployment of Windows 10.

Nearly 2,400 devices will be replaced in the two years requested through June 30, 2017. Obsolete devices (5 years or older at replacement) will be replaced throughout the City, including the Fire and Medical, and the Police Departments.

Approximate counts per Fiscal Year are listed below:

Type of Device	FY 16	FY 17	2 Year Total
Desktop Computer	440	1130	1570
Laptop	100	115	215
Semi-Ruggedized Laptop	10	2	12
Fully Ruggedized Laptop	300	190	490
Tablets (field use)	0	105	105

Supplemental purchases occur throughout the Fiscal Year, consisting mainly of replacement monitors and computer systems for new employees.

Prices for desktop PCs, field tablets and laptops range from \$605.00 to \$3900.00 with the highest cost devices being the ruggedized laptops at up to \$4300.00.

IT recommends utilizing these cooperative contracts for the remainder of their contract terms. Should the contracted entities opt to renew the contract, the City will at that time determine if it is in the City's best interest to renew as well.

Using these cooperative contracts is beneficial for the City. All three cooperative contracts were competitively bid nationally and provide favorable volume pricing.

Alternatives

Council may choose not to authorize the purchase and new responses will be solicited.

Fiscal Impact

Funding for PC Cycle Replacement Program Purchases is available in the Information Technology Department FY 2015/16 budget. Purchase estimates for FY 2016/17 are based on historical budget allocations for Cycle Replacement. Supplemental purchases are funded by the requesting Department's budget.

Coordinated With

Information Technology and Purchasing

PURCHASING INFORMATION

Action: Initial Award

Contracting Agency and Number:

State of Arizona - #ADSP016-098163 (Dell)

State of Arizona - #ADSP016-098839 (Apple)

National IPA - #120471 (Panasonic)

US Communities - #4400001195 (Insight for Mounting Hardware & Services)

Mesa Contract Number: 2016110

Contract Term: Two Years

Possible Renewals: Renewals subject to Cooperative Contract Renewals, and future Council consideration

AWARD RECOMMENDATION

Dell Marketing – Round Rock, TX
Apple Computer, Inc. – Austin, TX
Panasonic Solutions* – Newark, NJ
Insight Public Sector – Tempe, AZ

Description
<p><u>FY 2015/16 Estimated Purchases</u> per Specifications and Pricing for Dell, Panasonic, Apple, and Mounting Hardware and Services at <u>\$2,080,912.00</u></p> <p><u>FY 2015/16 Estimated Supplemental Purchases</u> per Specifications and Pricing for Dell, Apple, Panasonic and Mounting Hardware and Services at <u>\$275,000.00</u></p> <p>FY 2015/16 Budget Total: \$2,355,912.00**</p>
<p><u>FY 2016/17 Estimated Purchases</u> per Specifications and Pricing for Dell, Panasonic, Apple and Mounting Hardware and Services at <u>\$1,600,000.00</u></p> <p><u>FY 2016/17 Estimated Supplemental Purchases</u> per Specifications and Pricing for Dell, Apple, Panasonic and Mounting Hardware and Services at <u>\$275,000.00</u></p> <p>FY 2016/17 Budget Total: \$1,875,000.00**</p>
<p>Budget Total: \$4,230,912.00**</p> <p>Requested Contract Amount (FY 2015/16 and FY 2016/17): <u>\$4,235,000.00</u></p>
<p>* The National IPA contract was awarded to Panasonic Solutions. The Panasonic cooperative agreement is serviced and supported by designated Panasonic authorized resellers identified on the National IPA website.</p> <p>** Estimated expenditures for replacement of aging PCs and devices, corresponding vehicle hardware needed to mount field-based devices, as well as additional purchases as needed by individual departments.</p>