



City Council Report

Date: June 26, 2017
To: City Council
Through: Mike Kennington, Chief Information Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: One-Year Renewal Contract for Managed Information Technology Services for the Mesa Center for Higher Education (MCHE) as requested by the Economic Development Department **(District 4)**

Purpose and Recommendation

Council is requested to approve the Renewal Contract for Managed Information Technology Services as recommended.

The Economic Development Department and Purchasing recommend authorizing a one-year renewal with Valor Global for \$26,112.00, based on estimated requirements.

Background / Discussion

This contract provides a comprehensive managed IT solution to support multiple institutions of higher education leasing space in Mesa Center for Higher Education (MCHE). Services provided by this agreement include: network and systems monitoring, server and network infrastructure support, and help desk/desktop support. As part of the lease agreement with each of these institutions approved by Council on December 10, 2012, the City agreed to provide these services for the term of the lease. The vendor is responsible for forming a strategic partnership with the City of Mesa (as the contract administrator) and the institutions leasing space in MCHE as the beneficiary of the services.

On July 1, 2013, Council approved the initial three-year contract with renewal options to Valor IT: Year 1 at \$166,300.00; Year 2 at \$182,400.00; and Year 3 at \$194,970.00. The City and Valor Global (formerly Valor IT) negotiated and agreed to the annual contract amount of \$64,000.00 for Years 2 and 3. On June 6, 2016, Council approved the first, one-year renewal (Year 4) at \$36,000.00. This is the second and final (Year 5), one-year renewal contract.

In 2016, Valor IT offered to renew the contract with an overall decrease of 44% as a loyal customer rate; reducing the annual contract amount from \$64,000.00 to \$36,000.00. Valor Global provided a Statement of Work for this Renewal which meets the current requirements for the City's Managed IT Services; the Scope of Work and level of service has not changed. The City has been satisfied with the vendor's performance over the past four years. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Alternatives

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

Fiscal Impact

The annual contract amount is available through the Enterprise Fund – Economic Investment Sub Fund.

Coordinated With

Economic Development and Purchasing

PURCHASING INFORMATION

Action: Renewal Award

Procurement Type: Request for Proposal

Solicitation Number: 2013088

Initial Contract Term: Three Years

Renewal Term: One Year

Possible Renewals: None

Pricing Available to Other Cooperative Agencies: No

Proposals received on June 3, 2013

Decision Consultants, Inc. - Phoenix, AZ

Valor IT, Inc. - Scottsdale, AZ

Qwest Communications Company LLC dba CenturyLink QCC - Phoenix, AZ

Proposal Scoring Results

Element / Maximum Points	Valor IT Scottsdale, AZ	Decision Consultants, Inc. Phoenix, AZ	Century Link QCC Phoenix, AZ
Responsiveness; / 25 Points	23	22	13
Repair and diagnostic capability / 25 Points	23	22	13
Experience / 10 Points	9	7	5
Background / 10 Points	9	9	5
Project Development / 10 Points	9	7	3
Approach to Service Expectations / 10 Points	9	5	3
Price / 10 Points	8	7	7
Total Points / 100 Points	<u>90</u>	79	49

RENEWAL RECOMMENDATION

Valor Global (formerly Valor IT)

Scottsdale, AZ

Description
<p>Managed IT Services for the Mesa Center for Higher Education per Contract No. 2013088, Terms & Conditions, Scope of Work/Managed Services and Quote No. 001887 (\$2,176.00/Month)</p> <p>Annual Contract Amount: <u>\$26,112.00</u></p>