



City Council Report

Date: June 4, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: Dollar Limit Increase to the Term Contract for Supplemental Computers, Ruggedized Laptops and Tablets for Various City Departments as requested by the Information Technology Department **(Citywide)**

Recommendation

Council is requested to approve the contract amendment as recommended.

The Information Technology Department and Purchasing recommend increasing the dollar limit using the State of Arizona, National IPA and US Communities cooperative contracts with Dell Marketing LP; Apple Computer, Inc.; Panasonic Solutions; and Insight Public Sector; by \$125,000.00, from \$275,000.00 to \$400,000.00 annually, based on estimated usage.

Background

In September 2017, Council approved the annual contract amount of \$275,000 for Supplemental Purchases of Computer Hardware and Services. The initial amount for the supplemental purchases was based off spending from the previous 2 years. Due to a higher than anticipated number of IT purchase requests from City Departments, the Information Technology Department is requesting an increase of \$125,000 annually for the supplemental purchases to meet the ongoing technology needs of City departments.

In the same approval in September 2017, Council approved \$1,600,000 annually for PC Cycle Replacement which requires no adjustment at this time.

On 5/17/2018, Information Technology requested and Purchasing administratively approved the increase of \$25,000. IT has nearly reached the contract limit and requires the increase to process payments for pending, outstanding orders for departments.

Purchase Information

Action: Amendment
Procurement Type: Cooperative Contract Use
Contract Number: 2018026
Original Council Award Date: 9/11/2017
Contracting Agency/Contract Number - Contract End Date:
State of Arizona/ADSP016-098163 (Dell) - 3/31/2020

State of Arizona/ADSP016-098839 (Apple) - 3/31/2019
 National IPA/171725-01 (Panasonic) - 10/19/2019
 US Communities/4400006644 (Insight (mounting accessories & services) - 4/30/2019, 4 one-year renewal options subject to US Communities renewal action
 Initial Contract Term: Two years (through 12/31/2019), subject to the lead agency renewing its contract. Any further renewals would be subject to Council consideration.
 Funding Source: Supplemental purchases are funded by the requesting Department's budget.

Dollar Limit History:

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| Original Annual Award Amount - <u>Cycle Replacement Purchases</u> | \$1,600,000.00 |
| - No Change - | |

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| Original Award Amount (2017/18) - <u>Supplemental Purchases</u> | \$275,000.00 |
| Administrative Approval for <u>Supplemental Purchases</u> 5/17/2018 | \$25,000.00 |
| Increase Request for <u>Supplemental Purchases (Year 1)</u> 6/4/2018 | <u>\$100,000.00</u> |
| New Total | \$400,000.00 |

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| Original Award Amount (2018/19) - <u>Supplemental Purchases</u> | \$275,000.00 |
| Increase Request for <u>Supplemental Purchases (Year 2)</u> 6/4/2018 | <u>\$125,000.00</u> |
| New Total | \$400,000.00 |