



# City Council Report

**Date:** September 11, 2017  
**To:** City Council  
**Through:** Mike Kennington, Chief Financial Officer  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** Two-Year Term Contract for the 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 purchase of Computers, Ruggedized Laptops & Tablets for the next two years, as recommended.

The Information Technology Department and Purchasing recommend authorizing purchases 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; cumulatively not to exceed \$1,875,000 annually, 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 ITD'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 the ITD can continue to provide appropriate technology to employees and helps to prepare the City for the deployment of Windows 10. Because of changing technologies and work processes, having the flexibility to provide different types of devices supplied by the different manufacturers is advantageous.

IT staff evaluated quotes from the largest PC vendors across a range of hardware options and found that pricing combined with maintenance considerations, the above recommended vendors give the City the best overall value. IT recommends utilizing these cooperative contracts for the remainder of their contract terms

### **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 2017/18 budget. Purchase estimates for FY 2018/19 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

Mesa Contract Number: 2018026

Contracting Agency, Contract Number, Term and Renewals:

State of Arizona Contract No.: ADSP016-098163 (Dell)

State contract end date: 3/31/2020

State of Arizona Contract No.: ADSP016-098839 (Apple)

State contract end date 3/31/2018 – Renewal options up to 24-months subject to State renewal action.

National IPA Contract No.: 120471 (Panasonic)

National IPA contract end date 1/31/2018. National IPA contract (171725) currently under evaluation.

US Communities Contract No.: 4400006644 (Insight (mounting accessories & services))

US Communities contract end date 4/30/2019 – 4 One-Year renewal options subject to US Communities renewal action.

Intent: Staff will award the initial term of one year and administratively renew for two years, subject to the lead agency renewing its contract, for up to a three-year agreement. Any further renewals would be subject to 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>Estimated Cycle Replacement Purchases</u> per Specifications and Pricing for Computer Hardware and Services at <u>\$1,600,000.00</u></p> <p><u>Estimated Supplemental Purchases</u> per Specifications and Pricing for Computer Hardware and Services at <u>\$275,000.00</u></p> <p>Annual Amount: <b><u>\$1,875,000.00</u></b></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.