



Office of the City Manager

CONSENT CALENDAR  
November 27, 2018

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Savita Chaudhary, Director, Department of Information Technology

Subject: Dell Computers, Inc.: Using National Association of State Procurement Officials (NASPO) ValuePoint Cooperative Purchasing Agreement for Computer Hardware and Software Purchases

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to increase spending authority with Dell Computers, Inc. for the purchase of computer and server hardware, software, and related services, utilizing pricing and contracts, amendments, and extensions from the National Association of State Procurement Officials (NASPO) ValuePoint for the period beginning November 28, 2018 through June 30, 2020 for an amount not-to-exceed (NTE) \$1,235,400, with \$667,700 in Fiscal Year 2019 and \$567,700 in Fiscal Year 2020.

FISCAL IMPACTS OF RECOMMENDATION

Council authority is requested for continued hardware and software purchases from Dell Computers, Inc. under NASPO ValuePoint's cooperative purchasing agreement to support citywide desktop replacement, laptops, servers, storage, network equipment, and software licensing for desktops, servers, and line-of-business applications.

**Summary:**

\$667,700	Total FY 2019 Spending
\$567,700	Total FY 2020 Spending
<b>\$1,235,400</b>	<b>Total FY 2019 and 2020 Spending</b>

**FY 2019:**

<b>Cost</b>	<b>Budget Code</b>	<b>Description</b>
\$145,800	891-2750-410-7110	FY 2019 Desktop PC Replacement
\$121,400	891-2750-410-7110	FY 2019 Server Replacement
\$50,500	891-2750-410-3047	FY 2019 Server Software Warranty
\$100,000	609-2702-410-7110	FY 2019 Purchase for erma Kiosks
\$250,000	To Be Determined/As Needed	FY 2019 Citywide spending as needed
<b>\$667,700</b>	<b>Total FY 2019 Spending</b>	

<b>FY 2020:</b>		
<b>Cost</b>	<b>Budget Code</b>	<b>Description</b>
\$145,800	891-2750-410-7110	FY 2020 Desktop PC Replacement
\$121,400	891-2750-410-7110	FY 2020 Server Replacement
\$50,500	891-2750-410-3047	FY 2020 Server Software Warranty
\$250,000	To Be Determined/As Needed	FY 2020 Citywide spending as needed
<b>\$567,700</b>	<b>Total FY 2020 Spending</b>	

The FY 2020 funds are subject to Council approval of the FY 2020 budget and the FY 2020 Annual Appropriations Ordinance.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley participates in a cooperative pricing agreement negotiated by NASPO ValuePoint to obtain hardware, software, and related services from Dell Computers, Inc. Currently, Dell provides the City of Berkeley with standardized hardware and software which facilitates efficient troubleshooting, quick turnaround times for equipment replacement, and standardized desktop imaging.

Hardware for the City of Berkeley’s PC-Replacement and Server Replacement programs, as well as all corresponding supporting software are purchased from Dell, Inc. The purpose of these programs are to maximize the value of the City’s investment by adopting a citywide standard for desktops, desktop deployment, and centralized servers. Staff replace approximately 200 citywide desktops per fiscal year.

BACKGROUND

In 1993, WSCA was formed as the cooperative purchasing arm of NASPO by purchasing directors from fifteen western states to leverage combined purchasing power, achieve competitive pricing discounts, and streamline the acquisition of quality products and services from industry-leading vendors.

In 1994, the City of Berkeley began using the Western States Contracting Alliance (WSCA) cooperative purchasing agreement as a starting for hardware negotiations. In 2002, the City of Berkeley issued a Request for Proposal (RFP) for desktops, laptops, and servers, and the evaluation team unanimously recommended Dell Computers, Inc. as the City’s principal supplier.

In 2013, NASPO consolidated WSCA and the NASPO Cooperative to form NASPO ValuePoint to meet the increasing needs for resource assistance in cooperative procurement among users.

ENVIRONMENTAL SUSTAINABILITY

Upgrades to server software licensing allow for the consolidation of servers and increased storage capacity to storage area networks (SANs) and cloud storage with products such as Microsoft’s cloud storage product OneDrive. This move increases the City’s goal of reducing energy consumption City buildings and maintaining an environmentally sound information technology infrastructure.

RATIONALE FOR RECOMMENDATION

Using cooperative purchasing agreements significantly improves the quality of purchasing executed by the City, and participation in such agreements allows the City to gain greater efficiencies and economies of scale. NASPO ValuePoint is considered a 'pure' cooperative because the program is led by State Procurement Officers from public-sector member states whom are elected by their peers and subject matter experts.

Dell continues to provide excellent hardware and software to support the City's network infrastructure, servers, and desktop computers. Dell also continues to provide exemplary customer service and response times. The purchase of license upgrades enables the latest windows operating system which is the base for all other software applications installed that improve access to data regardless of location, thus increasing employee efficiencies. This keeps our operating system upto date with patches and other security requirements to make the equipment secure, thus improving employee productivity.

#### ALTERNATIVE ACTIONS CONSIDERED

Staff considered issuing a specific bid for the City of Berkeley's computer hardware and software requirements, but at this time, doing so would not yield better pricing than that which is currently established through the NASPO ValuePoint cooperative purchasing agreement.

#### CONTACT PERSON

Savita Chaudhary, Director, Information Technology, 510-981-6525

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

DELL COMPUTERS, INC.: USING NASPO VALUEPOINT FOR HARDWARE AND SOFTWARE PURCHASES

WHEREAS, the City of Berkeley relies upon a technically sound and efficient computer network; and

WHEREAS, by purchasing from cooperative purchasing agreements such as NASPO ValuePoint, the City of Berkeley is able to take advantage of pre-negotiated prices, economies of scale, and increased efficiencies; and

WHEREAS, Charter section 67.2 authorizes the purchase of property such as these computers without calling for bids as required by section 67;

WHEREAS, hardware for the City of Berkeley's PC-Replacement and Server Replacement programs, as well as all corresponding supporting software are purchased from Dell, Inc. The purpose of these programs are to maximize the value of the City's investment by adopting a citywide standard for desktops, desktop deployment, and centralized servers; and

WEHEREAS, Dell Computers, Inc. continues to offer the best overall value, reliable hardware, and excellent customer service since 1994; and

WHEREAS, funding for the PC and Server Replacement Programs are funded by the Department of Information Technology's Internal Service Fund, and citywide purchases will be made as needed by Departments by multiple funds.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to increase the spending authority for purchase orders for computer hardware, software, and related services from Dell Computer, Inc., utilizing pricing from the cooperative purchasing agreement established by National Association of State Procurement Officials (NASPO) ValuePoint Cooperative for the period beginning November 28, 2018 through June 30, 2020 for an amount not-to-exceed \$1,235,400, with \$667,700 in Fiscal Year 2019 and \$567,700 in Fiscal Year 2020.