

Meeting Date: 11/10/2015

Report Type: Consent

Report ID: 2015-00893

Title: Amendment Purchase/Cooperative Agreement: FY2015/16 Citywide Information Technology (IT) Related Goods and Services

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or his designee to 1) increase the City's lease authorization under the State of Montana Master IT Equipment Lease Agreement with Dell computers by \$200,000, for a new not to exceed amount of \$375,000; and 2) decrease the City's purchase authorization under WSCA Contract B27160 with Dell computers by \$200,000, for a new not-to-exceed amount of \$1,000,000.

Contact: Ignacio Estevez, IT Manager, (916) 808-7349; Maria MacGunigal, CIO, (916) 808-7998, Information Technology Department

Presenter: None

Department: Information Technology

Division: Technology Infrastructure Svcs

Dept ID:

Attachments:

1-Description/Analysis

City Attorney Review

Approved as to Form
Audreyell A. Anderson
11/5/2015 9:48:14 AM

Approvals/Acknowledgements

Department Director or Designee: Maria MacGunigal - 11/2/2015 4:35:34 PM

Description/Analysis

Issue: The Department of Utilities (DOU) has ongoing needs to purchase information technology-related goods and services. On June 23, 2015, the City Council approved the use of various cooperative purchasing agreements for the purchase of information technology-related goods and services citywide. Two of the agreements approved are for the purchase and lease, respectively, of Dell computer equipment. To lease this equipment instead of purchasing, it is necessary to amend the prior Council authorization by increasing the total amount approved for Dell equipment leasing by \$200,000, with a corresponding reduction in the amount approved for Dell equipment purchases.

Policy Considerations: The recommendations in this report are in accordance with City Code Section 3.56.240 which authorizes the City Manager, where advantageous to the City, to utilize cooperative purchasing agreements approved by the City Council to purchase supplies or nonprofessional services through legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City.

Economic Impacts: None.

Environmental Considerations: Ongoing administrative activities such as the purchasing of supplies do not constitute a “project” as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Section 15378(b)(2)].

Sustainability: Under Phase 1 of the City of Sacramento’s Climate Action Plan, all applicable “green” technology initiatives will be considered prior to the lease or purchase of IT equipment hardware and software.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: DOU staff has determined that for a portion of DOU’s equipment requirements, it would be more advantageous to lease rather than purchase the equipment as this will eliminate the need to purchase replacement technology every three to five years. In addition, leasing helps avoid obsolete technology and the disposition issues that come with purchasing.

Financial Considerations: In Motion 2015-0158, Council approved cooperative IT purchase agreements with a variety of vendors. DOU requests (1) an increase of \$200,000 in authorized lease expenditures with Dell for a new not-to-exceed amount of \$375,000, and (2) a corresponding decrease in the authorized purchase expenditures with Dell for a new not-to-exceed amount of \$1,000,000. There is no adjustment needed for the total agreement. There is sufficient funding available in the FY2015/16 DOU operating budget for the increased lease expenditures.

| Vendor | FY2015/16 Original Not-to- exceed | FY2015/16 Increase/ Decrease Amount | FY2015/16 New Not-to- exceed | Cooperative Purchase Agreement | Description |
|---------------|--|--|---|---|--|
| Dell | \$175,000 | \$200,000 | \$375,000 | State of Montana Master IT Equipment Lease Agreement (RFP10-1910D) | Lease of Dell hardware equipment |
| Dell | \$1,200,000 | (\$200,000) | \$1,000,000 | WSCA Contract B27160 | Routine IT purchases of Dell equipment |
| Total | \$1,375,000 | \$0 | \$1,375,000 | | |

Local Business Enterprise (LBE): The City's LBE program does not apply to cooperative purchasing agreements that result from another public agency's competitively-bid process.