

**City of Culver City, California  
Agenda Item Report**

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| Meeting Date: 05/26/15                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  | Item Number: <u>C-4</u>                                                           |  |
| <b>CITY COUNCIL AGENDA ITEM: Approval of (1) a Purchase Order for the Acquisition of 109 Personal Computers from Dell in an Amount Not-to-Exceed \$149,004.41 and (2) a Professional Services Agreement with Robert Half Technology (Los Angeles, California) for Personal Computer Deployment in an Amount Not-to-Exceed \$19,200.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                   |  |
| Contact Person/Dept.: David Leuck                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  | Phone Number: (310) 253-5950                                                      |  |
| Fiscal Impact: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  | General Fund: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |  |
| Public Hearing: <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  | Action Item: <input type="checkbox"/> Attachments: <input type="checkbox"/>       |  |
| Commission Action Required: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Date: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |                                                                                   |  |
| Public Notification:<br>Meetings and Agendas – City Council (05/21/15), Robert Half Technology. (Ryan McDaniel: 05/12/15), Dell, Inc. (Stan Temple: 05/11/2015)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |                                                                                   |  |
| Department Approval:<br>Michele Williams (05/14/15)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  | City Attorney Approval:<br>Carol Schwab (by H. Baker) (05/19/15)                  |  |
| Chief Financial Officer Approval:<br>Jeff Muir (by M. Noller) (05/20/15)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  | City Manager Approval:<br>John M. Nachbar (05/21/15)                              |  |
| <p><b><u>RECOMMENDATION:</u></b></p> <p>Staff recommends that the City Council: (1) approve a purchase order for the acquisition of 109 Personal Computers (PCs) from Dell in an amount not-to-exceed \$149,004.41, and (2) approve a professional services agreement with Robert Half Technology to facilitate deploying the newly purchased PCs throughout the organization in an amount not-to-exceed \$19,200.</p> <p><b><u>BACKGROUND:</u></b></p> <p>Personal Computers (PCs) are a primary component of almost all office jobs in the City. Even field workers (inspectors, engineers, firefighters, etc.) often use PCs after returning from the field to input data, write reports, and communicate with peers, supervisors, and the public. In addition, PCs are often attached to critical systems that run devices and services. Examples include building monitoring, identity card creation, specialized printers, and many others.</p> <p>Until 2005 the City was replacing approximately 20-25% of the PC inventory each year. Fiscal constraints dictated that the City stop the annual purchases with the last purchase occurring in October 2005. A gap of two and a half years followed until the next major purchase of 126 PCs was approved on March 24, 2008. Since 2008, the City has only purchased one or a few PCs at a time due to constrained budgets.</p> |  |                                                                                   |  |

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Purchase approvals were based on the need for more capability, system failures, or compliance requirements for specialized software.

As a result, the majority of the City's PCs were five (5) or more years old by 2013. The older machines began to experience intermittent failures, which have impacted the production of the staff using them. The original 3 year warranties have expired on the majority of the City's systems.

The installation of security patches to the operating system and the increasing load on systems from antivirus and antispyware systems have impacted the responsiveness of the older systems. In 2011, to allow the installation of the next generation of operating system (Windows 7) and productivity software (Office 2010) the oldest PCs were retro-fitted with additional RAM (random access memory), larger hard disks, and new video cards. In its original state the older PC hardware inventory was not compatible with Windows 7, but the upgraded hardware components enable it to run. This made it possible to continue using the existing hardware for another few years without a significant budget expenditure.

In October 2013 the City Council approved the purchase of 137 modern PCs with updated processors, high speed RAM, dedicated video cards, and increased storage space. That purchase replaced approximately one-third of the City's complement of PCs and allowed the oldest units to be retired.

**DISCUSSION:**

As a best business practice, PCs have an expected life of 4-5 years and are typically purchased with three year warranties. After three years the individual components (hard disk, memory, power supply, and motherboard) of a PC are at increasing risk of failure and potentially require replacement.

Another key factor influencing replacement is the fact that over time, software vendors release new software or upgrades to existing software that require PCs with more speed, processing power, or memory in order to function adequately. Current versions of software recommend 4 Gigabytes (GB) of RAM for systems to run effectively with 8GBs a common standard for 64 bit systems. With the move to 64 bit operating systems applications are able to use more than 4GB of RAM, and systems are being configured with 8, 12, and 16GB of RAM on a normal basis. This trend is not just for desktops; it also applies to Laptops, Netbooks, and Tablets. More RAM allows the user to have multiple applications (including web browsers) open simultaneously without slowing down the system.

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Due to budget constraints the City has extended the life cycle of the PC inventory to approximately 6-7 years. Approved in October 2013, 137 PCs were replaced and represented about one-third of the City's PC inventory. Staff recommended reinstituting a formal replacement schedule with that purchase. This request represents the second round and will be followed in Fiscal Year 2015/2016 with the final request to complete the refresh of the City's remaining inventory. After 3 years of replacing PCs, there will be two years of maintenance before the cycle will begin again. This schedule will allow for a 5 year target lifecycle for each PC in inventory. At the 5 year mark IT can assess both budget and present technology in deciding the needs of the next replacement cycle.

The City has deployed flat panel monitors for all of the PCs and retired the old style CRT (cathode-ray tube) screens. The existing flat panels are being reused with the new PCs as much as possible to reduce costs where the screens are compatible. Newer video cards utilize more advanced video connections not present on some of the older screens. As a contingency 50 monitors will be purchased to provide spares and to retire some of the older screens where necessary. By purchasing the 50 screens with the PC the screen is discounted compared to only purchasing the screen.

Staff recommends purchasing the Dell OptiPlex 9020 which is the same model as last year. It was selected because it was at the beginning of its release cycle. In discussion with Dell it is expected that this model will be available for one more cycle before it is superseded.

The City's software license agreement with Microsoft automatically licenses the latest version of Windows, Office, and several other tools as they are released. This hardware will be able to run all the existing software versions and the anticipated future updates.

The PCs taken out of service will be evaluated, and parts that can be reused on remaining systems will be removed (i.e. hard disks, video cards, RAM chips, DVD drives) to form a spare parts inventory. The remaining units and components will be turned over to the Purchasing Division for sale or recycling per City Policy.

#### Vendor Selection

For some time the City has standardized on Dell business class computers. Dell provides a number of advantages as the City's vendor. These include:

- Industry compatibility - As one of the largest PC makers, Dell leads with standards in quality and compatibility.
- Free shipping - Purchased under the California Multiple Award Schedule (CMAS), municipalities pay no shipping costs on systems.

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- Automatic upgrade to 3 year warranty on all PCs. Next business day service on parts and labor.
- Call in support for hardware on a 24x7 basis.
- Longer product support life cycle. Dell is able to provide parts for their own systems from a worldwide support system. Custom built clone systems can only be supported as long as the local manufacturer can secure parts.
- The City has been standardized on Dell PCs for some years. From a maintenance and support perspective it is far more efficient to support a standardized inventory.

Low Energy and Recyclable PCs

Efficient energy usage and recyclable components have become a focus of computer makers and the City since the mid-2000s. The Information Technology Department, starting with the 2008 purchase, chose PCs that were environmentally friendly, more energy efficient, and can be broken down for recycling with less waste than past generations of hardware.

The US Environmental Protection Agency provides a consumer rating tool, Electronic Product Environmental Assessment Tool (EPEAT) to assist buyers with identifying environmentally preferred equipment. Products are measured against both required and optional criteria. A product must meet all of the required criteria to be added to the registry. The ratings are:

- Bronze (Meets all required criteria)
- Silver (Meets all required criteria and at least 50% of the optional criteria)
- Gold (Meets all required criteria and at least 75% of the optional criteria)

The Dell Optiplex 9020 PCs have earned the EPEAT Gold level rating.

Pursuant to Culver City Municipal Code (CCMC) Section 3.07.045.G, this purchase of PCs is excepted from formal competitive bidding requirements, as they may be procured from the State of California's CMAS program (which is a competitively bid program administered by the State of California and offered to local governments if they choose to participate).

The purchase will be made from the State of California's CMAS program directly from Dell. This program gives the City preferential pricing using the buying power of the State of California. The CMAS contract is overseen by the Department of General Services. Public Contract Code (PCC) Sections 10290 et seq. and 12101.5 include approval for local government agencies to use CMAS for acquisition of information technology and non-information technology products and services. AB 2866 and AB

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1684 authorize local government agencies and school districts to use CMAS and other Department of General Services agreements without competitive bidding.

**PC Deployment Services**

Should the City Council approve this proposal, 109 PCs will be deployed across all City sites while at the same time maintaining daily IT operations and projects already in progress. The IT Department's goal is to deploy approximately 25 units per week. Using existing internal staffing to deploy the newly purchased hardware would result in a significant strain on resources.

Pursuant to CCMC Section 3.07.085.A, professional services do not require competitive bidding provided the purchase order or contract shall be based upon competitive quotations, whenever practical, as determined by the City Manager. Competitive quotations for supplemental staffing was solicited from Robert Half Technology and three additional vendors. Robert Half was the lowest responding bidder. The contract is billed at \$32.00/hour.

Robert Half Technology staff will work with IT to prepare and deploy PCs according to plan. They will work in conjunction with IT staff who will perform follow-up and quality control/troubleshooting of issues that come up.

**FISCAL ANALYSIS:**

Funding to support this project has been appropriated in the City Council Adopted Budget for Fiscal Year 2014/2015 - Computer Replacement Fund (30724100.732150). Purchasing 109 PCs will result in an expenditure of \$149,004.41 including tax and environmental fee (with free shipping). There is sufficient funding in the computer replacement fund to support this project expenditure.

Contracting with Robert Half Technology to provide professional deployment services will result in an expenditure of \$19,200. This includes 3 full-time technicians working at a rate of \$32 per hour for five (5) weeks.

**ATTACHMENTS:**

None.

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**MOTION:**

That the City Council:

1. Approve a purchase order for the procurement of 109 Personal Computers from Dell, Inc. in an amount not-to-exceed \$149,004.41; and,
2. Approve a professional services agreement with Robert Half Technology for professional PC deployment services in an amount not-to-exceed \$19,200; and,
3. Authorize the Chief Information Officer to approve up to an additional 10% of the professional services contract (\$1,920) as a contingency if deemed necessary by the Chief Information Officer; and,
4. Authorize the City Attorney to review/prepare the necessary documents; and,
5. Authorize the City Manager and Purchasing Officer, as applicable, to execute such documents on behalf of the City.