

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

Meeting Date: 10/28/13		Item Number: <u>C-6</u>	
CITY COUNCIL AGENDA ITEM: (1) Approval of the Purchase of 137 Personal Computers from Dell Computers (Round Rock, Texas) via the State of California CMAS Program for an Amount Not-to-Exceed \$148,545.76; and (2) Approval of a Professional Services Agreement with Soft-Train (Santa Ana, California) in an Amount Not-to-Exceed \$15,600 (with an Additional \$1,560 in Change Order Authority) for Professional PC Deployment Services.			
Contact Person/Dept.: David Leuck		Phone Number: (310) 253-5950	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification: Meetings and Agendas – City Council (10/22/13), Soft-Train Inc. (Brian Baughman: 10/14/2013), Dell, Inc. (Erica Robinson: 10/14/2013)			
Department Approval: Michele Williams (10/16/13)		City Attorney Approval: Carol Schwab (by H. Baker) (10/21/13)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (10/22/13)		City Manager Approval: John M. Nachbar (10/22/13)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve the purchase of 137 Personal Computers (PCs) from Dell Computers (Round Rock, Texas) in an amount not-to-exceed \$148,545.76 and approve a professional services agreement with Soft-Train, Inc. (Santa Ana, CA) in an amount not-to-exceed \$15,600 (with an additional \$1,560 in change order authority) for professional services to facilitate deploying the newly purchased PCs throughout the organization. <u>BACKGROUND:</u> 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. 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.			

City of Culver City, California
Agenda Item Report

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 are five (5) or more years old. The older machines have begun to experience intermittent failures, which have impacted the productivity of the staff using them. The original 3 year warranties have expired on the majority of the City's PCs.

The installation of security patches to the operating system and the increasing load on systems from anti-virus and anti-spyware 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 their original state most of the 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 couple of years without a significant budget expenditure.

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, and/or memory in order to function adequately. Current versions of software recommend 3 or 4 Gigabytes (GB) of RAM for systems to run effectively. With the move to 64 bit operating systems, future applications will be able to use more than 4GB of RAM, and systems are being configured with 8, 12, and even 16GB of RAM on a routine 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.

Due to budget constraints the City has extended the life cycle of the PC inventory to approximately 6-7 years. Replacing 137 PCs represents about one-third of the City's PC inventory. Staff is recommending reinstituting a formal replacement schedule. This purchase will be followed in budget years FY2014/2015 and FY 2015/2016 with requests to complete the replacement of the City's remaining inventory. After 3 years of replacing PCs, there will be two years of maintenance

City of Culver City, California
Agenda Item Report

before the cycle will begin again. This schedule will allow for a 5 year target lifecycle for each PC in inventory.

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 will be reused with the new PCs to reduce costs since the screens are compatible. While older, they still have years of service left. 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 PCs, the screens are discounted compared to only purchasing the screen.

Staff recommends purchasing the Dell Optiplex 9020 which is a new production model at the beginning of its release cycle. In discussion with Dell it is expected that this model will be available for one to two more cycles before it is superseded.

The City's software maintenance 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 Purchasing 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.
- 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.

City of Culver City, California
Agenda Item Report

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 (IT) 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 (EPA) provides a consumer rating measure, 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.

PC Deployment Services

One Hundred Thirty Seven (137) 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 new units per week. Using existing internal staffing to deploy the newly purchased hardware would result in a significant strain on resources.

A supplemental staffing proposal was solicited from Soft-Train. This is the same vendor who provided staffing for the last major rollout effort in 2008. The contract in 2008 was billed at \$24.00/hour. Soft-Train has delivered a proposal for this effort at a rate of \$26.00/hour.

Soft-Train 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 arise.

Pursuant to Culver City Municipal Code (CCMC) Section 3.07.045.G, the purchase of the PCs is excepted from formal competitive bidding requirements, as discussed below. In addition, pursuant to CCMC Section 3.07.085.A professional services do not require competitive bidding.

City of Culver City, California
Agenda Item Report

FISCAL ANALYSIS:

Funding to support this project has been appropriated in the Computer Replacement Fund (30724100) of the City Council Adopted Budget for Fiscal Year 2013/2014.

Purchasing 137 PCs will result in an expenditure of \$148,545.76 including tax (with free shipping).

The purchase of the PCs will be made through the State of California's CMAS program. This program gives the City preferential pricing using the buying power of the State of California. The CMAS contract is overseen by the State's 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. In addition to the above-stated provisions of the CCMC, AB 2866 and AB 1684 authorize local government agencies and school districts to use CMAS and other Department of General Services agreements without competitive bidding.

Contracting with Soft-Train to provide professional deployment services will result in an expenditure of \$15,600. This includes 3 full-time technicians working at a rate of \$26 per hour for five (5) weeks.

ATTACHMENTS:

None.

MOTION:

That the City Council:

1. Approve the purchase of 137 Personal Computers (PCs) from Dell, Inc. for an amount not-to-exceed \$148,545.76; and,
2. Authorize the Purchasing Officer to execute the purchase order on behalf of the City; and
3. Approve a professional services agreement with Soft-Train for Professional PC Deployment Services for an amount not-to-exceed \$15,600; and,

City of Culver City, California
Agenda Item Report

4. Authorize the Chief Information Officer to expend up to an additional 10% of the professional services contract (\$1,560) as a contingency if deemed necessary; and,
5. Authorize the City Attorney to review/prepare the necessary documents; and,
6. Authorize the City Manager to execute such documents on behalf of the City.