

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 03/24/08		Item Number: <u>C-8</u>	
AGENDA ITEM: Approval of (1) the Purchase of 126 Personal Computers from Dell, Inc. of Round Rock, Texas, and (2) a Professional Services Agreement for Associated PC Deployment Services from Soft-Train, Inc. of Santa Ana, California.			
Contact Person/Dept.: John Richo		Phone Number: (310) 253-5950	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master E-Mail Notification List (03/19/08), Dell Inc. (Eddie Munoz: March 11, 2008), Soft-Train Inc. (Jon Willcoxson: March 12, 2008)			
Department Approval: John Richo (03/12/08)		City Attorney Approval: Carol Schwab (by H. Baker) (03/18/08)	
Fiscal Impact Review: Jeff Muir (by M. Noller) (03/19/08)		City Manager Approval: Jerry B. Fulwood (03/19/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council (1) approve the purchase of 126 Personal Computers (PCs) from Dell, Inc. of Round Rock, Texas for \$139,409.35 from the Computer Replacement Fund 30724100; and (2) approve a professional services agreement for PC deployment services with Soft-Train, Inc. of Santa Ana, CA with an estimated cost of \$14,400 from the Information Technology Other Contractual Services account 10124100.619800 <u>BACKGROUND:</u> Personal Computers (PCs) are a 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, video streaming, specialized printers, and many others. Until 2005 the City was replacing approximately 20-25% of our inventory of PCs each year. Fiscal constraints dictated that the last major purchase was October 24, 2005. Since that time only small purchases of one or a few PCs at a time have been authorized based on need for more capability, system failures, or for new positions. This means that the majority of the City's PCs are four or more years old. Over the past three years the older machines have begun to experience intermittent failures,			

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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 anti-virus and anti-spyware systems have impacted the responsiveness of the older systems. Advances in the next generation of operating system and productivity software either will not operate on the oldest systems or will require parts replacement to bring them up to minimum standards.

Energy usage and recyclable components were not a focus of computer makers in the early 2000's compared to 2008. This trend has reversed in recent years with great interest coming from the Information Technology (IT) community to find PCs that are environmentally friendly, more energy efficient, and can be broken down for recycling with less waste than past generations of hardware.

The City still uses TV tube style CRT monitors for some of its systems. Beginning four years ago all new and replaced PC monitors have been purchased as low energy consuming flat panels. Replacing CRTs with flat panels reduces energy consumption by the display by approximately 40%.

DISCUSSION:

As a best business practice, PCs have an expected life of three years and are purchased with three year warranties. After three years the individual components (hard disk, memory, power supply, and motherboard) of a PC are at a high risk of failure requiring 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 2 Gigabytes (GB) of RAM for systems to run effectively. Attachment 1 is a list of the City's PCs and servers sorted by the amount of installed RAM.

Due to budget constraints, many cities have extended the life cycle of PCs to approximately 4 years. The attached survey (Attachment 2) was taken by MISAC (Municipal Information System Association of California). It includes responses from 18 agencies covering the life cycle and funding source for the replacement of their PCs.

The City's software maintenance agreement with Microsoft automatically licenses the latest version of Windows, Office, and several other tools as they are released. The Microsoft Vista operating system has not been deployed in part due to hardware constraints. The next operating system upgrade is projected for 2009 and the City

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will deploy Office 2007 later in 2008. Many of our older PCs will not effectively run the next generation of software.

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 the largest PC maker in the world Dell drives standards in quality and compatibility.
- Free shipping. Purchased under the California Multiple Award Schedule (CMAS), municipalities pay no shipping costs on systems.
- Automatic increase to 3 year warranty on all PCs. Next business day 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

In keeping with the City's desire for energy savings and environmentally sound computing, the IT department has investigated the US Government's Environmentally Preferable Purchasing program; which is part of the US Environmental Protection Agency. This program uses a tool (Electronic Product Environmental Assessment Tool - EPEAT) to rate PCs submitted and gives a rating to systems. The ratings are:

- Bronze
- Silver
- Gold

The Optiplex 755 PCs from Dell have earned the EPEAT Gold level (Attachment 3) which means that the units meet all required criteria plus at least 75% of the optional criteria that apply to PCs.

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PC Deployment Services

One Hundred Twenty Six PCs will be deployed across all City sites while at the same time maintaining daily operations and several critical projects already in progress. This presents a resource availability issue. The IT Department's goal is to deploy approximately 25 units per week.

Bids for supplemental staffing were solicited from four companies located in the Southern California area. Three responded with proposals and Soft-Train of Santa Ana, California was tentatively selected. (Attachment 4)

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 come up.

FISCAL ANALYSIS:

In recent years, due to financial constraints, the City has not been able to fully fund the Technology Equipment Replacement Fund. As a result no large scale purchase of PCs was made for the 06-07 budget year.

For this purchase, IT will fund the acquisition through Replacement account 30724100 (Computer Replacement Fund). One Hundred Twenty Six (126) PCs will cost \$139,409.35 including tax and free shipping. See Attachment 5 for Dell's quote.

The purchase will be made directly from Dell 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 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 1684 authorize local government agencies and school districts to use CMAS and other Department of General Services agreements without competitive bidding. Culver City Municipal Code § 3.07.065 EXEMPTION FROM FORMAL COMPETITIVE BIDDING section B allows the City to purchase through a cooperative purchasing agreement which has been competitively bid, or through agreements executed with other governmental agencies.

Soft-Train has submitted a proposal for 3 staff members working at a rate of \$24 per hour for five weeks. An estimated base amount of \$14,400 will be required for the project. The IT Department is also requesting an additional 10% in the case unanticipated circumstances are encountered. The total, not to exceed amount of

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\$15,840, is proposed to be funded from account 10124100.619800, and there is sufficient funding in this account for fiscal 2007-08 to cover this request.

ATTACHMENTS:

Attachment 1: List of PCs and Servers sorted by amount of RAM
Attachment 2: Computer Replacement Policies by City
Attachment 3: Confirming e-mail from Dell on EPEAT status of Optiplex 755
Attachment 4: Soft-Train Proposal
Attachment 5: Dell quotation 417620788

MOTION:

That the City Council:

1. Approve the purchase of 126 Personal Computers (PCs) from Dell, Inc. through the CMAS Program in an amount not to exceed \$139,409.35 from the Computer Replacement Fund 30724100.
2. Approve a Professional Services Agreement with Soft-Train of Santa Ana, for PC Deployment services in an amount not to exceed \$15,840 from the Information Technology Other Contractual Services budget 10124100.619800.
3. Authorize the City Attorney to review/prepare any necessary documents and authorize the City Manager to execute such documents on behalf of the City.