

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: KRISTIE BARTLETT, IT MANAGER
INFORMATION TECHNOLOGY DEPARTMENT
SUBJECT: ADDITIONAL FUNDING FOR THE PURCHASE OF COMPUTER
AND SERVER EQUIPMENT FROM DELL MARKETING, L.P.

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Information Technology (IT) Department that the Council, by resolution, approve additional funding for the purchase of Dell computer and server equipment through the National Association of State Procurement Officials (NASPO) cooperative purchase agreement under the Minnesota WSCA-NASPO Master Agreement Award with Dell Marketing, L.P. No. MNWNC-108 and California Participating Addendum No. 7-15-70-34-003 in the amount of \$965,000 through the period ending as of the current termination date of the California Participating Addendum or as it may be extended through June 30, 2022, for a total not to exceed amount of \$2,465,000.

EXECUTIVE SUMMARY

This resolution is to request additional funding for purchases of computers (PCs) and servers from Dell Marketing, L.P. The City has designed a selection, purchasing and deployment process optimized for efficiency and cost management for the purchase replacement of approximately 1,800 PCs, laptops and tablets and servers for city staff use. The increase in cost is due to several factors, including the increase in cost of PC hardware, the purchase of additional public safety projects, EOC (Emergency Operations Center) and other departmental projects requiring servers and PC equipment not originally estimated to procure under this agreement. The IT Department has also added additional applications that require server resources that were not foreseen at the time of the original request in June 2017.

BACKGROUND

On June 20, 2017, Council approved a resolution to authorize the purchase of computer equipment with Dell Marketing, L.P. using the NASPO cooperative purchase agreement between the State of Minnesota and Dell Marketing, L.P. and the California Participating Addendum No. 7-15-70-34-003 between the State of California and Dell Marketing, L.P. in the amount of \$1,500,000 for a 5-year period, ending June 30, 2022. Annually,

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the IT Department budgets funds for the PC Replacement (PCR) Program, which is designed to capture the cost of future replacement of PCs on 5-year basis. The cost of computer replacement has risen in the past 3 years due to increase in hardware costs. The IT Department also purchases equipment for other departments which is not part of the PC Replacement Program and was not considered at the time of the original estimates.

The purchases and estimates are as follows for Dell equipment by fiscal year:

2017/18	2018/19	2019/20	2020/21	2021/22
\$629,082	\$528,674	\$431,244	\$438,000	\$438,000

PRIOR CITY COUNCIL REVIEW

On June 20, 2017, the Council, by Resolution No. RES-2017-120, approved the purchase of Dell hardware through the NASPO cooperative purchase agreement and the California Participating Addendum, for the amount of \$1,500,000 for a 5-year period.

ANALYSIS

The original analysis in 2017 of the purchase of Dell computer equipment was based on the replacement of the City's 1800 PCs within a five-year period. That original budget was set at approximately \$300,000 per year. Due to increases in costs, and additional hardware and server needs, that cost is averaging \$493,000 per year. An additional \$100K average spend is due to increases in PC hardware costs, adding additional equipment, laptops, monitors and tablets to the PC Replacement Program. \$80K per year is due to server replacements and adding new servers. The other miscellaneous increase is due to departmental projects not foreseen in the original estimated spending.

FISCAL IMPACT

Annually, the IT Department budgets funds for the PC Replacement (PCR) Program, which is designed to capture the cost of future replacement of PCs on a 5-year basis. Computer purchases from Dell are included in the PCR budget. Other departmental projects requiring additional PC's, servers, monitors and Dell equipment are budgeted through the departments' operating budgets as needed.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – Minnesota WSCA-NASPO Master Agreement Award with Dell Marketing, L.P., Contract No. MNWNC-108 (NASPO cooperative agreement)
- Attachment 2 – Amendment No. 1 to Contract No. MNWNC-108, extending through March 31, 2020
- Attachment 3 – California Participating Addendum No. 7-15-70-34-003
- Resolution

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