



File #: 20-0513, Version: 1

REPORT TO COUNCIL

SUBJECT

Modify a Blanket Purchase Order with Dell Marketing L.P. for Computer Hardware (F20-162)

REPORT IN BRIEF

Approval is requested to amend an existing blanket purchase order with Dell Marketing L.P. of Round Rock, TX, for computer hardware, increasing the not-to-exceed amount by \$713,000 for a new not-to-exceed total amount of \$1,163,000. Approval is also requested to delegate authority to the City Manager to increase not-to-exceed amounts for the existing blanket purchase order as well as an additional one-year renewal period, both subject to available budgeted funding, provided services and pricing remain acceptable.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for contracts exceeding \$100,000 in any one transaction.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonable foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

In May 2016, Council authorized the issuance of a blanket purchase order to Dell Marketing (RTC No. 16-0449) for ongoing, scheduled replacement of computer equipment using the Western States Contracting Alliance - National Association of State Procurement Officials (WSCA/NASPO) cooperative procurement agreement to take advantage of large volume discounts and reduce the procurement cycle time. Council approval included an initial 19-month blanket purchase order in the amount of \$450,000 with successive annual renewals not-to-exceed budgeted amounts, subject to participation in in WSCA/NASPO cooperative procurement process.

As part of the City's work to modernize its Information Technology infrastructure, enhance public services, and support vital city initiatives, staff is requesting that the third renewal period, dated 1/1/2020 to 12/31/2020, contract amount be increased to cover the procurement of a replacement DPS blade server, upgrades to replacement equipment justified by new needs in departments, and upgrade of desktop replacements with laptops to enhance mobility and effectiveness of use. Staff typically recommends award of contracts for ongoing goods and services not to exceed budgeted amounts which provide appropriate flexibility to meet changing demands.

In the original award, staff recommended that the City Manager have authority to increase the blanket purchase order at time of renewal and renew it for four (4) one-year periods, and is now requesting that the City Manager have additional authority to modify the current blanket purchase order and final annual renewal within budgeted amounts.

The following devices are anticipated to be purchased:

Replacement devices:

Scheduled Server Replacements	\$385,000
Scheduled Client Device Replacements	\$583,887
Incidentals (Keyboard, mice, etc.)	\$3,452

Projected purchase requests pending final approval:

Permitting Project: Laptops (5)	\$9,974
Upgrades to Client Device Replacements	\$180,287
Total	\$1,162,600

FISCAL IMPACT

Budgeted funds for FY 2019/20 and FY2020/21 in the Information Technology Equipment Replacement Fund are available to fund the scheduled server and client device replacements. Additional funding will come from the Departments for upgrades and new equipment, as approved by Finance.

Funding Source

Funds are budgeted primarily in Fund 595, General Services, Subfund 350, Technology and Communication Services.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, Sunnyvale Public Library and Department of Public Safety; and by making the agenda and report available at the Office of the City Clerk and on the City's website.

RECOMMENDATION

Take the following actions:

- Authorize the City Manager to amend the existing blanket purchase order with Dell Marketing L.P. for computer hardware, in substantially the same format as Attachment 1 to the report, increasing the not-to-exceed amount by \$713,000 for a new not-to-exceed total amount of \$1,163,000; and
- Authorize the City Manager to amend not-to-exceed amounts, both subject to available budgeted funding, provided services and pricing remain acceptable.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Tim Kirby, Director of Finance
Reviewed by: Kathleen Boutté Foster, Chief Information Officer

Reviewed by: Jaqui Guzmán, Deputy City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Change Order to Blanket Purchase Order