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Title: CONSIDERATION OF APPROVAL OF CONTRACT FOR IT EQUIPMENT WITH DELL MARKETING, L.P. (CITY COUNCIL)

Sponsors:

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Attachments: 1. EXHIBIT NO. 1 - Dell Marketing, L.P. Agreement

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, June 18, 2024

Consent

SUBJECT:

CONSIDERATION OF APPROVAL OF CONTRACT FOR IT EQUIPMENT WITH DELL MARKETING, L.P. (CITY COUNCIL)

I. SUMMARY

On March 28, 2024, the Purchasing Division released a Request for Proposals RFP (No. 24-005) for Computer Equipment and Lifecycle Management Services. The City is establishing the IT best practice of adhering to a scheduled computer equipment replacement cycle in lieu of the previous ad hoc replacements approach utilized when technical issues resulted in inoperable outdated equipment. The City is standardizing Dell computer equipment, including several models of laptop and desktop computers, monitors, and computer peripherals such as wireless keyboard, wireless mouse, and laptop sleeve options. The majority of the City’s computers, estimated at over 80%, will be laptops to enable a modern, mobile work experience within City Hall, parks, and citywide. In addition to supporting collaborative team meetings within conference rooms, onsite meetings to manage public works projects, temporary and permanent assigned work areas, laptop deployment will support a more efficient computer replacement and support model. This City is purchasing a limited number of desktops for conference room computers, public computing centers, and shared computer assignments for locations where a fixed computer is more appropriate.

Computer specifications for desktops and laptops are assigned based upon user profile and include several component options including processor options: Intel Core i7, Intel Core Ultra 7, Intel Core Ultra 9, and Intel Core 14th Gen i9; memory options: 16GB RAM, 32GB RAM, 64GB RAM; storage options: 256GB, 512GB, 1TB, 2TB graphics card: NVIDIA GeForce RTX 4090, Intel Arc Graphics; and wireless card options: Intel Killer Wi-Fi 7/Bluetooth wireless card, and Intel Killer Wi-Fi 6E/Bluetooth wireless card. Microsoft Windows 11 software licenses are included for all computers.

All laptops and monitors include a 3-year hardware warranty, and next business day support. Desktop computers include a 4-year hardware warranty and next business day support. Computer peripherals including monitor arms, laptop sleeves, and wireless keyboard with mouse are also included in the order.

The RFP closed on April 25, 2024, and two (2) bids were received. One bidder provided a bid entirely comprised of computer equipment not included in the City's specifications. The second bidder only provided a bid for generic laptop sleeves and no computer equipment. The City's Procurement Manager rejected all bids due to both bidders' failure to comply with RFP requirements.

Thereafter, City staff requested a quote through the NASPO cooperative purchasing program from the Original Equipment Manufacturer Dell Marketing, L.P. with specifications outlined in the RFP. Staff is recommending award of contract to Dell Marketing, L.P. in compliance with Carson Municipal Code Section 2611(g) of the City's Municipal Code which allows City, through its Purchasing Manager, to dispense with competitive bidding processes for procurement of the IT equipment.

II. RECOMMENDATION

TAKE the following actions:

1. APPROVE a contract with Dell Marketing, L.P. for hardware, software, warranty, maintenance and support for an amount not to exceed \$2,186,114.07 for a total term of 5 years; and
2. AUTHORIZE the Mayor to execute the contract after approval as to form by the City Attorney.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

The City of Carson is in the process of replacing its outdated computer inventory and establishing a computer replacement cycle, replacing laptops every 3 years and desktops every 4 years. The update of the computer inventory will ensure City staff are able to utilize modern software technologies without repeated operational issues common to low memory

and outdated processors.

On March 28, 2024, the Purchasing Division released a Request for Proposals RFP (No. 24-005) for Computer Equipment and Lifecycle Management Services. The IT equipment includes several models of laptop and desktop computers, monitors, and computer peripherals such as wireless keyboard, wireless mouse, and laptop sleeve options.

The bid opening was held in the City Clerk's Office on April 18, 2024. There were two (2) bid responses and the City's Procurement Manager rejected both bids due to both bidders' failure to comply with RFP requirements.

Section 2611(g) of the City's Municipal Code allows City, through its Purchasing Manager, to dispense with competitive bidding processes to purchase materials, supplies, equipment, or services by utilizing a cooperative purchasing program engaged in by any local, county, State, or Federal public entity or entities, provided that: (1) a copy of the solicitation has been obtained from the originating entity and reviewed by the Purchasing Manager; (2) the selected bidder was selected in compliance with the competitive bidding or proposal process requirements of any participating entity or association; and (3) the participating entity or association's contract is current, the solicitation is within three (3) years of City's approval of the City contract entered into with the selected bidder via cooperative purchasing, or written justification is provided justifying use of an older solicitation.

The State of Minnesota is part of the NASPO Value Point cooperative purchasing program through which it entered into a contract with Dell Inc. ("Master Agreement #23004") after engaging in a competitive bidding process, whereby it now receives discounted pricing for certain Dell computers, equipment hardware, accessories, managed services, and configuration. Master Agreement #23004, awarded July 14, 2023, was subsequently assigned by Dell Inc. to Dell Marketing, L.P.

City staff requested a quote for computer equipment from the Original Equipment Manufacturer Dell Technologies, Inc. per the active Master Agreement #23004 applicable to the State of California government agencies. A temporary Computer Equipment and Lifecycle Committee was formed to evaluate the proposed procurement which, in conjunction with City's Purchasing Manager's determination that City's procurement of the desired items complies with the requirements of Section 2611(g) of the City's Municipal Code, selected Dell Marketing, L.P. as the recommended vendor to provide the computer equipment.

Staff's due diligence determined that Dell Marketing, L.P. meets all RFP requirements, City's contractual terms and conditions. Dell Marketing L.P.'s proposed costs were reasonable and within the City's budget at \$1,567,862.75 for laptop and desktop computer equipment costs including Microsoft Windows 11 software licenses, 3-year warranty and maintenance on laptop computers, 4-year warranty and maintenance on desktop computers, \$430,096.00 for computer peripherals, environmental fee of \$6,750.00, taxes of \$181,405.32, for a total cost of \$2,186,114.07.

V. FISCAL IMPACT

The cost associated with the 5-year contract with Dell Marketing, L.P. is not to exceed the amount of \$2,186,114.07. The computer equipment cost including warranty, maintenance, and software licenses of \$1,567,862.75, environmental fee of \$6,750.00, computer peripheral cost of \$430,096.00, and \$181,405.32 for taxes. The total cost of \$336,325.24 for a quantity of 100 computers and related computer peripherals is included in the current Information Technology & Security Department FY2023-24 budget. Computer replacement phases for the remaining 550 computers and peripheral equipment will be included in the proposed FY2024-25 (account #101-54-520-101-6020) and subsequent fiscal year budgets.

Computer Equipment	\$1,707,233.23
Computer Peripherals	\$ 478,880.84
Total	\$2,186,114.07

Year 1 FY2023-24	\$336,325.24
Year 2 FY2024-25	\$924,894.42
Year 3 FY2025-26	\$924,894.42

VI. EXHIBITS

1. Contract with Dell Marketing, L.P. (**Pages 4 - 38**)

Prepared by: Gary Carter, Director, Information Technology&Security Department