

Mayor and Council Communication

DATE: 08/08/23

M&C FILE NUMBER: M&C 23-0653

LOG NAME: 60CONVERGEONE

SUBJECT

(ALL) Authorize a Cooperative Purchase Agreement with ConvergeOne, Inc. in the Amount of \$250,000.00 for Hardware, Software, Maintenance and Support of the Water Department's Extreme Networks, Using the Texas Department of Information Resources Cooperative Contract Number DIR-TSO-4339

RECOMMENDATION:

Authorize a cooperative purchase agreement with ConvergeOne, Inc. in the amount of \$250,000.00 for hardware, software, maintenance and support of the Water Department's Extreme Networks, using the Texas Department of Information Resources Cooperative contract number DIR-TSO-4339.

DISCUSSION:

The purpose of this Mayor & Council Communication (M&C) is to authorize a cooperative purchase agreement for services and components for the Water Utility's Extreme Network. Water Utility will use this agreement to continue the purchase of hardware, software, maintenance and support of its Extreme Networks components, such as network switches and routers, for an annual cost not to exceed \$250,000.00.

Funding is budgeted and will be budgeted after adoption of the Fiscal Year 2024 Budget by City Council, in the Water and Wastewater Department's within the Water & Sewer Fund.

PRICE ANALYSIS - The prices were obtained using Texas Department of Information Resources (DIR) contract number DIR-TSO-4339. The DIR contract offers fixed discounts for these services. Water Information Technology staff has reviewed the pricing and determined it to be fair and reasonable.

COOPERATIVE PURCHASING - State law provides that a local government purchasing an item/service under a Cooperative Purchasing Agreement satisfies state laws requiring that the local government seek competitive bids for purchase of the item/service. DIR contracts have been competitively bid to increase and simplify the purchasing power of government entities. DIR is authorized to offer the cooperative purchasing program to state agencies, public institutions of higher learning, public school districts and local governments.

SUCCESSOR CONTRACTS - To facilitate planning and budgeting, Staff would prefer to have annual Agreements that align with the Fiscal Year. However, the DIR Agreement is out of alignment with the City's Fiscal Year and the current term DIR-TSO-4339 will expire on January 22, 2024. In order for the Agreement to align with the City's Fiscal Year, adoption of this M&C technically authorizes (i) a series of Purchase Agreements, each of which will align to a term of the DIR, Agreements to ensure legal authority exists for the contract, and (ii) an annual spend amount, future years of which would be subject to City Council appropriation. In the event that a Cooperative Agreement is not renewed, Staff would cease purchasing at the end of the last Purchase Agreement coinciding with the valid Cooperative Agreements. If the City Council were to not appropriate funds for a future year, Staff would stop making purchases when the last appropriation expires, regardless of whether the then-current Purchase Agreement has expired. The City will initially use DIR-TSO-4339 to make purchases authorized by this M&C. As noted, DIR-TSO-4339 expires January 22, 2024. If DIR-TSO-4339 is extended this M&C authorizes the City to purchase similar equipment and supplies under the extended contracts. If DIR-TSO-4339 is not extended but DIR executes new cooperative contracts with ConvergeOne with substantially similar terms as DIR-TSO-4339, this M&C authorizes the City to purchase the equipment, supplies, and services under the new DIR contract.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager in the amount up to the maximum allowed under state law and the City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

DVIN - A M/WBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

AGREEMENT TERMS – Upon City Council approval, this agreement shall begin on September 1, 2023 and end on August 31, 2024.

RENEWAL OPTIONS - This Agreement may be renewed in accordance with the renewal options in DIR-TSO-4339. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

This will serve ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as previously

appropriated, in the Water & Sewer Fund and upon adoption of the Fiscal Year 2024 Budget by City Council, funds will be available in the Fiscal Year 2024 operating budget, as appropriated in the Water & Sewer Fund. Prior to an expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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