

Mayor and Council Communication

DATE: 09/28/21

M&C FILE NUMBER: M&C 21-0742

LOG NAME: 13P DELL HARDWARE AND SOFTWARE PURCHASE ITS ADK

SUBJECT

(ALL) Authorize a Purchase Agreement with Dell Marketing, L.P., for New and Replacement Hardware, Software, Technology Services, Maintenance and Support Services Using State of Texas Department of Information Resources Cooperative Contract DIR-TSO-3763 in an Annual Amount Up to \$4,800,000.00 Up to Five One-Year Renewal Options in the Same Annual Amount for the Information Technology Solutions Department

RECOMMENDATION:

It is recommended that the City Council authorize a Purchase Agreement with Dell Marketing, L.P., for new and replacement hardware, software, technology services and maintenance and support services using State of Texas Department of Information Resources Cooperative Contract DIR-TSO-3763, in an annual amount of \$4,800,000.00 up to five one-year renewal options in the same annual amount for the Information Technology Solutions Department.

DISCUSSION:

On October 10, 2017, City Council approved Mayor and Council Communication (M&C) P-12111, authorizing a purchase agreement with Dell Marketing, L.P. The Department has since utilized all renewal options and spending authority for the current term is set to expire on October 10, 2021. This action seeks to obtain new authority for the continuation of services.

The Information Technology Solutions (ITS) Department will use this purchase agreement to purchase new and replacement hardware, technology services, maintenance and support services, new equipment, software and asset recovery and support services from Dell Marketing, L.P. (Dell), for all City departments. ITS works with each City department to manage replacements for laptops, computers and servers to reduce the risk of disruption or loss of productivity due to equipment obsolescence or failure. The refresh program is allocation based and scheduled equipment replacement will be paid for by the ITS Department. All other purchases will be made on an as-needed basis and funded by the requesting department.

In previous years, the annual authorization was approved in the amount of \$4,800,000.00. This authorization ensures the success of the City's technology refresh program as well as the ability to replace equipment in the event of failure. Purchases made from Dell Marketing L.P. support the City's technology infrastructure including the network and its security.

Request for Offer DIR-TSO-TMP-251 was published on September 12, 2016 and responses were opened on October 13, 2016.

PRICE ANALYSIS - The Department of Information Resources (DIR) contract offers fixed discounts. Staff reviewed the pricing and determined it to be fair and reasonable.

COOPERATIVE PURCHASE - State law provides that a local government purchasing an item under a cooperative purchasing agreement satisfies any state law requiring that the local government seek competitive bids for purchase of the item. DIR contracts are competitively bid to increase and simplify the purchasing power of government entities across the State of Texas.

SUCCESSOR CONTRACTS - In the event the DIR agreement is not renewed, staff would cease purchasing at the end of the last purchase agreement coinciding with a valid DIR agreement. 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 the DIR contract to make purchases authorized by this M&C. The Cooperative Contract is set to expire on January 10, 2024. If DIR-TSO-3763 is extended, this M&C authorizes the City to purchase similar equipment and supplies under the extended contract. If DIR-TSO-3763 is not extended but DIR executes a new cooperative contract with Dell and with substantially similar terms, this M&C authorizes the City to purchase the equipment and supplies under the new DIR contract. If this occurs, in no event will the City continue to purchase goods and services under the new agreement for more than two (2) years without seeking Council approval.

M/WBE - An MBE/SBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

AGREEMENT TERM - Upon City Council's approval, this agreement will become effective and expire January 10, 2022 in accordance with the DIR contract. The agreement will renew on an annual basis thereafter.

RENEWAL OPTIONS - This agreement may be renewed for up to five one-year renewal terms at the City's option. 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.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the participating departments' Operating Funds to support the approval of the above recommendation and execution of the purchase agreement. Prior to an expenditure being made, the participating departments have the responsibility to validate the availability of funds.

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Expedited