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# City Council Report

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2-8-10

**Date:** February 8, 2010  
**To:** City Council  
**Through:** Bryan Raines, Deputy City Manager  
**From:** Edward Quedens, Business Services Director  
**Subject:** Purchase of Personal Computers, Laptops and Monitors for the City's Cycle Replacement Program for the Information Technology Department (Tax Exempt Lease) (Contract #ADSPO10-00000010 / WSCA-B27160)  
"Citywide" Contract

## Purpose and Recommendation

Council is requested to approve the Purchase of Personal Computers, Laptops and Monitors, to be financed through an existing four year tax-exempt lease, as recommended. Council previously approved this purchase in October 2007, however, the Western States Contracting Alliance (WSCA) contract in effect at the time of Council's original approval has expired. Council approval is needed to purchase the remaining PC equipment from the replacement WSCA contract.

The Purchasing Division recommends authorizing purchase from the Western States Contracting Alliance (WSCA) contract with Dell, Inc., at \$259,942.01, including applicable sales tax.

## Background/Discussion

The personal computers (PCs) purchased with these remaining funds will provide replacement PCs for out-of-warranty computers and specifically target replacement of models that are out of production and no longer supported by our PC vendor.

The lease funds are part of the City's PC cycle replacement program, a comprehensive strategy for PC acquisition and support. This strategy, common among most large organizations, consists of an on-going cycle replacement program of all PCs. General goals of the replacement cycle are to improve user productivity, minimize escalating support costs with older machines, and to implement hardware required for new computing systems and software. After reviewing a number of factors, including the on-going budgetary challenges, the City has increased the PC replacement cycle to five years.

WSCA was formed in October 1993 by the State purchasing directors from fifteen western states, for the primary purpose of establishing the means by which participating states could join together in cooperative multi-state contracting to

achieve cost-effective and efficient acquisition of quality products and services. Cooperative purchases are developed by members; this contract was bid and awarded by the State of Minnesota. Mesa is able to utilize this contract through the State of Arizona, a WSCA member.

### **Alternatives**

Council may choose not to authorize purchase from the State contract and new bids will be obtained. Although there are other sources for this hardware in the open market, the State contract is considered extremely competitive and contains a "most favored customer clause." This clause prohibits the successful bidder(s) from offering other Arizona customers a better price for similar items without extending that price to the State of Arizona as well. Because this clause exists, it is doubtful that the City could obtain a better price by obtaining separate bids.

### **Fiscal Impact**

The total amount of \$259,942.01, based on estimated quantities to be purchased, is available from the remaining four year tax-exempt lease funds. The final lease payment will be made in June 2010. The Information Technology Department will coordinate all purchases.

### **Coordinated With**

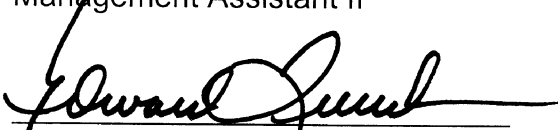
Information Technology Department



Pamela Chavez,  
Management Assistant II



Jim Ruiz, CPPB  
Purchasing Administrator



Edward Quedens, CPPO, C.P.M.  
Business Services Director



Bryan Raines  
Deputy City Manager

**CITY OF MESA  
PURCHASE RECOMMENDATION  
PERSONAL COMPUTERS, LAPTOPS AND MONITORS  
FOR CYCLE REPLACEMENT**

(State of Arizona Contract #ADSP010-00000010 / WSCA-B27160)  
Contract is Valid through August 31, 2012

Dell, Inc.  
Round Rock, TX

Estimated Quantities	Description	Extended Pricing
235	OptiPlex 780 Small Form Factor PC, to include a 160GB hard drive, Windows XP, 8X DVD, web camera, and 5-year extended warranty  / each \$900.11	\$211,525.85
20	OptiPlex 780 Minitower PC, to include a 160GB hard drive, Windows XP, 16X DVD, web camera, and 5-year extended warranty  / each \$892.31	\$17,846.20
1	Precision T5500 PC, to include a 500GB hard drive, Windows XP Pro, 16X DVD, and 5-year extended warranty  / each \$3,711.10	\$3,711.10
2	Latitude E4300 Laptop, to include a 80GB hard drive, Windows XP Pro, 8X DVD, web camera, and 5-year extended warranty  / each \$1,635.93	\$3,271.86
2	Latitude E6500 Laptop, to include a 80GB hard drive, Windows XP Pro, 8X DVD, web camera, and 5-year extended warranty  / each \$1,572.85	\$3,145.70
13	Dell Professional 1909W, Widescreen 19" Monitor, to include a 5-year extended warranty  / each \$203.36	<u>\$2,643.68</u>
	<b>Sub-Total</b>	<b>\$242,144.39</b>
	7.35% Sales Tax	<u>\$17,797.62</u>
	<b>TOTAL</b>	<b>\$259,942.01</b>