

City of Sacramento

Legislation Details (With Text)

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Title:	Purchase/Cooperative Agreements: FY2021/22 Citywide Information Technology Related Goods and Services (Published for 10-Day Review 06/19/2020]				
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Title:

Purchase/Cooperative Agreements: FY2021/22 Citywide Information Technology Related Goods and Services (Published for 10-Day Review 06/19/2020]

File ID: 2020-00660

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager or City Manager's designee to: 1) approve the use of cooperative purchasing agreements with Adobe Inc., Anixter Inc., AT&T Inc., AT&T Mobility LLC, Autodesk Inc., BeyondTrust Corporation, Big Fix, CDW-G, Cisco Systems Inc., Data911, Dell Computers, Dell EMC, ExaGrid, F5 Networks Inc., Gartner Inc., Graybar, HP (Hewlett-Packard Company), Juniper Networks, Kovarus Inc., Kronos Incorporated, Language Link, Lenovo, Microsoft Corporation, Motorola, NWN Corporation, Palo Alto Networks Inc., Panasonic Corporation, Parkeon, Rapid 7 Nexpose, Red Hat Inc., SAP Public Services Inc., ServiceNow Inc., Sitetracker, SolarWinds Inc., Sprint Next Corporation, Trend Micro Inc., Varonis, Veeam, Verizon Wireless, VMWare Inc., Zonar Systems Inc., Zoom Video Communications, Inc.; 2) replace any contract listed in Exhibit A that expires during FY2020/21 with an appropriate replacement contract from the same cooperative organization; and 3) issue the required purchase orders for the not-to-exceed amount specified for the vendors under the cooperative purchasing agreements and or their authorized resellers, for a total amount not-to-exceed \$20.965 million during the Fiscal Year 2020/21.

Contact: Ignacio Estevez, IT Manager, (916) 808-7349; Cassy Vaioleti, Administrative Analyst, (916) 808-8047; Maria MacGunigal, Chief Information Officer, (916) 808-7998, Information Technology.

Presenter: None

Attachments:

1-Description/Analysis

2-List of Cooperative IT Purchases

Description/Analysis

Issue Detail: The City has ongoing needs to purchase information technology (IT) related goods and services. In May 2020, the IT Department conducted its annual review of all citywide IT related purchases made in FY2019/20. Based on this annual review, staff has prepared an estimate of the anticipated purchases citywide of a variety of IT related goods and services for FY2020/21. These purchases are necessary to ensure the continued delivery of programs and services citywide including the procurement of IT equipment needed to support the City's remote workforce due to COVID-19 and normal equipment replacement cycles. Additionally, the anticipated purchases in this report will support required computer hardware and software maintenance for critical enterprise and business systems that directly support city business operations. Without this support, city systems would not receive the necessary support needed to properly operate these systems making the City more vulnerable to security breaches and susceptible to dangerous virus and other malware that could quickly result in a total shut down of most computer systems.

Staff requests approval and spending authority to cover the estimated expenditures using cooperative purchasing agreements, and the authority to substitute any of the cooperative agreements listed in Exhibit A with the appropriate replacement agreement issued by the same cooperative organization, if that agreement expires during this purchase approval period. The cooperative purchasing agreements and vendors that will be used to procure the IT related goods and services for FY2020/21 are listed in Exhibit A.

Policy Considerations: The recommendations in this report are in accordance with City Code section 3.56.240, which authorizes the City Manager, where advantageous to the City, to utilize cooperative purchasing agreements approved by the City Council to purchase supplies or nonprofessional services through legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City.

Sacramento City Code section 4.04.020 and Council Rules of Procedure chapter 7, section E.2.d mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1 million shall be made available to the public at least ten (10) days prior to Council action. This item was published for 10-day review on June 19, 2020 as required.

Economic Impacts: None.

Environmental Considerations: No environmental review is necessary because the recommendations in this report involve the purchase of IT goods and services which are not considered to be a “project” as proscribed in California Environmental Quality Act Guidelines, (“CEQA”). (CEQA Guidelines section 15378(b)(2).)

Sustainability: Under Phase 1 of the City of Sacramento’s Climate Action Plan, all applicable “Green” technology initiatives will be considered prior to the purchase of IT equipment hardware and software.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement approach increases pricing competitiveness and lowers operating costs through volume purchasing. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program. The City has used both regional and national cooperative purchasing agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and the Procurement Services Division to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

Financial Considerations: The total amount requested for FY2020/21 will not exceed \$20.965 million. Purchases will be made from various departmental operating and Capital Improvement Program (CIP) budgets through the competitive/cooperative purchasing agreements listed in Exhibit A. Funding for the purchases has been included in the FY2020/21 operating and CIP budgets.

Local Business Enterprise (LBE): The City’s LBE program does not apply to cooperative purchasing agreements that result from another public agency’s competitively bid process.

Background:

1. Cooperative Purchase Agreements: The use of cooperative purchasing agreements maximizes cost savings and staff resources by sharing contracting and purchasing efforts with other government agencies. Utilizing cooperative purchasing agreements is advantageous to the City because it provides an opportunity for the City to obtain lower pricing through volume purchasing. As cooperative agreements reach expiration, they are automatically renewed allowing government agencies to continue to leverage cost savings. Below is a brief explanation of

competitive agreements the City will use to make cooperative IT purchases:

Houston-Galveston Area Council of Government (H-GACBuy): The H-GACBuy Cooperative Purchasing Program assists local governments in reducing costs through this government-to-government procurement service available nationwide. This program is available to local government entities and qualifying non-profit corporations.

Microsoft Enterprise License Agreements (MELA) / County of Riverside Microsoft Master Enterprise Agreement (MMEA): MELA/MMEA contract is competitively bid by the County of Riverside and available to any public agency within the State of California for the purchase of Microsoft software enterprise licensing and maintenance.

NASPO ValuePoint: NASPO ValuePoint is a national cooperative purchasing program facilitating public procurement solicitations and agreements using a lead-state model and provides the highest standard of excellence in public cooperative contracting. NASPO ValuePoint is available to public agencies and is a program under National Association of State Procurement Officials that is made up of the directors of the central purchasing offices of the 50 states, District of Columbia and territories of the United States.

OMNIA Partners: OMNIA is a leading national government purchasing cooperative, providing world class government procurement resources and solutions to local and state government agencies, school districts (K-12), higher education institutions, and nonprofits looking for the best overall supplier government pricing. OMNIA partners with many governmental agencies to offer cooperative purchasing contracts to other governmental agencies in order to create a more economical means of procuring services and supplies, ability to pay less for products and services, and reduce administrative costs in developing contracts.

Pennsylvania Education Purchasing Program (PEPPM): PEPPM is a cost-effective source for bid-protected technology purchases. Government agencies achieve lower costs of acquisition for their technology products and also enjoy the promise from awarded vendors to offer their best national cooperative price using competitively bid contracts awarded by educational agency. With more than two million products under contract, the PEPPM technology purchasing cooperative is the nation's most comprehensive source for public agencies to research and procure technology brands that meet their own local standards.

State of California - California Network and Telecommunications (CALNET) 3: CALNET is a program focused on providing services that meet the State's complex and critical telecommunications and network business needs. The CALNET Program accomplishes this through oversight, statewide policy, and a suite of statewide, competitively bid telecommunications contracts used by both state and local agencies.

State of California Master Services Agreement: Master Service Agreements are contracts that are

competitively bid by the State of California, Department of General Services, and available to any agency that expend public funds. These agreements establish a pre-qualified list of vendors and simplify the purchasing process.

U.S. General Services Administration (GSA) Schedule 70: GSA Schedule 70 delivers federal, state, and local customer agencies the tools and expertise needed to shorten procurement cycles, ensure compliance, and obtain the best value for innovative technology products, services, and solutions through a competitive solicitation process. With more than 7.5 million products and services from over 4,600 pre-vetted vendors, federal agencies, as well as civilian, state, and local organizations, continue to maximize budgets, and reduce buying cycles by up to 50 percent over open market.