



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 17, 2023

FROM: INNOVATION AND TECHNOLOGY DEPARTMENT WARDS: ALL

SUBJECT: ANNUAL PURCHASE ORDER FOR COMPUTERS AND RELATED ACCESSORIES FROM DELL MARKETING, L.P., FOR FISCAL YEAR 2023/24 IN THE AMOUNT OF \$1,250,000 PLUS A 15% CHANGE ORDER AUTHORITY IN THE AMOUNT OF \$187,500

ISSUE:

Authorize the purchase order for computers and related accessories from Dell Marketing, L.P., of Round Rock, Texas, for Fiscal Year 2023/24 in the amount of \$1,250,000 plus a 15% change order authority in the amount of \$187,500.

RECOMMENDATIONS:

That the City Council:

1. Approve the annual purchase order for computers and related accessories from Dell Marketing, L.P., of Round Rock, Texas, under OMNIA Cooperative Purchasing Agreement 01-143 in the amount of \$1,250,000; and
2. Approve additional change order authority of up to 15% (\$187,500) of the amended total contract amount.

BACKGROUND:

Last year, the Innovation and Technology Department (IT) processed more than 700 employee generated orders (at the request of departments) for computers and related accessories which include items like monitors, docking stations, keyboards, and more. The ordering process contains multiple steps, each of which add time to the process and could increase the time to deliver goods:

1. Employee places the order via an online portal;
2. The order is reviewed by IT staff and quotes are attached to the order (as well as any conversations needed to clarify what is being requested, or to discuss options);
3. The order is reviewed and approved by designated authorities in the requestor's department who can verify appropriateness and availability of funds;
4. IT staff submit a requisition for a purchase order;

5. Finance staff review the requisition request and issue the purchase order;
6. IT staff place the order with Dell.
7. IT staff deliver the item(s) after placing asset tags on the items (when applicable).

DISCUSSION:

The creation of one annual purchase order to be used by IT staff will significantly streamline the ordering process by eliminating Steps 4 and 5. It is estimated that this will save more than 180 hours of staff time annually, while reducing delivery times by 1-3 days.

Dell Marketing, L.P. (Dell) has a proven track record with providing public sector experience, industry leading capabilities, strong service agreements, and reliable supply chains. Continued use of this brand will ensure city staff have continued access to the products and support they have come to rely on daily.

Dell is able to provide competitive pricing for both goods and services through cooperative agreement number 01-143 with OMNIA. The contract was publicly advertised in a Request for Proposal (RFP) 45-22 and released on October 4, 2022. Hosted by the Region 14 Education Service Center in Texas, the RFP closed on November 17th, 2022 with a total of 32 responses. Evaluation documents show that Dell was the highest rated proposer, and as such was one of eleven vendors that were given contracts. As Dell is able to provide us with the necessary Dell equipment compatible with current staff needs, be able to provide these products at the lowest cost as they are the manufacturer, and was the highest rated proposer, it was determined no other quotes would be needed. OMNIA Contract 01-143 expires on November 30, 2025 with the option to renew for five (5) additional one (1) year periods. This could potentially provide us access to competitively bid prices on Dell equipment through November of 2030. Purchasing reviewed the cooperative and found it to be in compliance with all Purchasing requirements. A full list of documents related to this agreement can be accessed at:

<https://www.omniapartners.com/suppliers/dell/public-sector/contract-documents#contract-1482>

Per Purchasing Resolution No. 23914 Section 602 (f) states, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ... (f) When Cooperative Purchasing is available and undertaken or when Goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements."

The Purchasing Manager concurs that the recommendations to authorize the purchase are in compliance with Purchasing Resolution 23914, Section 602(f).

STRATEGIC PLAN ALIGNMENT:

This item contributes to Envision Riverside 2025 City Council Strategic Priority No. 6 - *Infrastructure, Mobility & Connectivity* and Goal No. 6.2 - Maintain, protect and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

The item aligns with each of the five cross-cutting threads as follows:

1. **Community Trust** – Utilizing competitively bid goods through a cooperative agreement are within the City’s procurement policies and ensure the City and its’ resident’s best interest are at the forefront.
2. **Equity** – All City employees benefit from having a reputable supplier with proven support options. This passes on to Riverside residents and the community who benefit from reliable and available service.
3. **Fiscal Responsibility** – This purchase is being made utilizing a publicly bid contract.
4. **Innovation** – Dell is committed to manufacturing and delivering state of the art technologies at an affordable price. The list of items available from them are constantly being updated with newer technologies.
5. **Sustainability & Resiliency** – This purchase is imperative to the ongoing success of the City’s technological infrastructure that serves the community on a daily basis.

FISCAL IMPACT:

The potential fiscal impact is \$1,250,000 plus change order authority of \$187,500 for a contract total of \$1,437,500. IT will place orders on behalf of departments, with funding provided from departments’ existing budget.

Prepared by:	George Khalil, Chief Innovation Officer
Certified as to availability of funds:	Kristie Thomas, Finance Director / Assistant Chief Financial Officer
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer/ Treasurer
Approved as to form:	Phaedra A. Norton, City Attorney