

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

Members of the City Council:

**SUBJECT:** Communications and Information Technology - Authorize purchase order for computers, monitors, and computer hardware and software.

Expenditure: Not to exceed \$89,310.

### **RECOMMENDATION**

Recommendation of the Information Technology Director that City Council authorize an annual purchase order with Dell, Inc. of Round Rock, TX for personal computers and monitors, and other miscellaneous related hardware and software for an amount not to exceed \$89,310 for the period of July 1, 2012, to June 30, 2013.

### **Funding**

Funding is available in the Fiscal Year 2012-2013 Computer Replacement Fund.

### **BACKGROUND**

In July 1997 the City Council adopted an ordinance (Section 22.3.19 of the Torrance Municipal Code) that created an exemption from formal bidding for the purchase of computing and networking hardware and software. The exemption was meant to allow the City to develop a relationship with a small number of vendors with the intent of motivating vendors to provide better equipment, lower prices, and a higher level of customer service. This ordinance has greatly improved the service provided by selected vendors to remain on the City's preferred listing. In the past, vendors would stop or reduce maintenance services for equipment once they were not selected for the current year purchases.

The Communications and Information Technology department performed a full evaluation of Dell, Inc. and Hewlett-Packard, Inc. equipment for the annual computer equipment purchase order and determined that Dell, Inc. is the lowest responsible bidder meeting the City's equipment specifications.

### **ANALYSIS**

Prior to each new fiscal year, Information Technology staff meets with departments to evaluate the required computer equipment replacements for the upcoming fiscal year. The City currently has 1,006 computers on a seven-year replacement cycle. Computers that break after the warranty period but before the seven-year funding cycle are evaluated and replaced early as it is more cost effective than repair. Job function requirements, ergonomics, or new projects may also trigger necessary upgrades or replacements. The

City's total projected new or replacement personal computer equipment purchases for fiscal year 2012-2013 are 85 personal computers and 48 monitors excluding laptops and servers. The Communications and Information Technology Department, in conjunction with the Purchasing Division, sent a Request for Quote (RFQ) #2013-117 for eighty-five (85) small form factor personal computers and forty-eight (48) 20" LED monitors to the two major personal computer manufacturers (Dell and Hewlett-Packard).

The RFQ results are as follows:

Vendor	RFQ Amount			Selection
	85 Personal Computers	48 Monitors	Total	
Dell, Inc. Round Rock, Texas	\$ 80,601	\$ 8,709	\$ 89,310	Selected for Eighty-Five (85) personal computers and Forty-Eight (48) monitors.
Hewlett-Packard, Inc. Palo Alto, California	\$ 76,719	\$ 13,173	\$ 89,892	Did not meet specifications providing a small form factor unit that is Dual DVI Monitor and Keyboard, Mouse, Monitor (vPro KVM) compatible.

Feedback from Information Technology staff on delivery, customer service, and performance by Dell has been above satisfactory for past equipment purchases. Dell was selected for both the personal computer and monitor purchases. The equipment meets the City specifications and provides the lowest total cost. Pricing includes five-year warranty, delivery to Torrance, and sales tax. It is recommended that City Council authorize a purchase order with Dell, Inc. in an amount not-to-exceed \$89,310.

Respectfully submitted,



RICHARD SHIGAKI  
Information Technology Director

CONCUR:



LeRoy Jackson  
City Manager