

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

Members of the City Council:

SUBJECT: Communications and Information Technology – Authorize non-standard Microsoft and other computer software purchases on an as-needed basis from Compucom.

Expenditure: \$41,000

RECOMMENDATION

The Information Technology Director recommends that the City Council:

1. Authorize a change order to Vendor Contract # 962 to increase the not-to-exceed amount of \$24,000 to \$35,000 for CompuCom, of Los Angeles, California, to furnish non-standard Microsoft and other computer software on an as-needed basis for the period of July 1, 2006, to June 30, 2007.
2. Award a new purchase order in the amount of \$30,000 to CompuCom, of Los Angeles, California, to furnish non-standard Microsoft and other computer software on an as-needed basis for the period of July 1, 2007, to June 30, 2008.

Funding

Funding is available in Capital Projects, departmental operating budgets, and the personal computer replacement fund for FY 2006-2007 and FY 2007-2008.

BACKGROUND

The City has a current vendor contract with CompuCom in the amount of \$24,000 covering the period of July 1, 2006, to June 30, 2007. The vendor contract is to furnish non-standard Microsoft and other computer software on an as-needed basis. Non-standard software includes Windows server software, Microsoft Project, Microsoft Visio, Adobe Acrobat Professional, etc.

On May 1, 2007, City Council authorized a change to the Microsoft State and Local Government Enterprise Agreement (Contract # C2004-096) changing the software license reseller to CompuCom. The annual expenditure for the Microsoft State and Local Government Enterprise Agreement is \$162,425 (already appropriated in Contract # C2004-096). This agreement covers the following City standard software: Microsoft Office Professional (Word, Excel, PowerPoint, Outlook E-Mail, Publisher, and Access database); Microsoft Client Access Licenses (CAL) (allows desktop PCs to access network servers to perform activities such as e-mail reading/storage and reading/saving files to the network drives); and, SQL CAL (allows

desktop PCs to access network databases). All non-standard Microsoft software needs to be purchased individually outside of the Microsoft Enterprise Agreement. The new purchase order with Compucom will allow us to make these purchases.

ANALYSIS

The Communications and Information Technology Department purchases software for City departments. City servers and desktop computers require non-standard Microsoft and other software throughout the fiscal year. At the beginning of each fiscal year an estimate of potential software orders is calculated based on previous purchase estimates and known projects. Adjustments are made at the end of each fiscal year if new computers, projects, and servers are added during the fiscal year. The current fiscal year 2006-2007 has new server and desktop software purchase requests pending in the amount of \$11,000.

Section 22.3.19 of the City of Torrance Municipal Code states, "Exception; Computer and Networking Hardware and Software Purchases. The provisions of this Article do not apply to contracts for the purchase of computer and networking hardware and software. The purchase of computer and networking hardware and software will be done pursuant to regulations and procedures established by the City Manager." This exception allows the City to develop a relationship with a single vendor and motivate that vendor to provide strong customer service through the incentive of contract renewal. Additionally, computer hardware provided by a single vendor for an extended period gives the City more consistency among the City's hardware inventory. It also allows the City to purchase high quality products at the best price.

It is recommended that the City Council authorize an increase to the not-to-exceed amount by \$11,000 from \$24,000 to \$35,000 for fiscal 2006-2007, and award a new purchase order to Compucom in the amount of \$30,000 for fiscal 2007-2008.

Respectfully submitted,



RICHARD SHIGAKI
Information Technology Director

CONCUR:



LeRoy J. Jackson
City Manager