

CITY COUNCIL ACTION REQUEST

Department(s): Finance	CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment	Coordination: ITD, CAO, and CMO - Budget Office	Dept. Approval: /s/ Julia H. Cooper
Council District(s): Citywide			CMO Approval:  9/13/22

SUBJECT: CITYWIDE OPEN PURCHASE ORDER WITH TECHNOLOGY INTEGRATION GROUP FOR DELL POWEREDGE SERVERS

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to amend citywide open purchase order OP 62374 with Technology Integration Group (San Diego, CA) for as-required Dell PowerEdge servers to increase compensation by \$400,000 for a revised maximum compensation of \$500,000 for the current option ending July 9, 2023 and execute the last option to extend the term through July 9, 2024, subject to the appropriation of funds.

Desired Outcome: Authorizing the City Manager to take this action will continue to provide City departments with a quick and efficient process to purchase these pre-approved servers to support departmental work.

BASIS FOR RECOMMENDATION:

Various City departments have their own information technology infrastructure to provide network security, data loss prevention, and additional storage to sustain their departmental operations. To support these needs, departments periodically purchase new or replacement servers.

In June 2019, the Finance Department issued a Request for Bid for as-required servers. The Request for Bid received five responsive bids prior to the submittal deadline. The Request for Bid was awarded to Technology Integration Group as the lowest priced, responsive, and responsible bidder. No protests were received. The City subsequently issued Citywide open purchase orders to Technology Integration Group under the City Manager’s authority for the initial one-year term and three one-year options, with the current option term to end July 9, 2023.

Staff originally anticipated that total purchases for the initial term and four options would remain below the City Manager’s contracting authority. However, unanticipated demand due to increasing requirements to ensure cybersecurity and data privacy compliance have caused purchases to date to exceed previous expectations. City Council authority is now required to ensure sufficient funds to meet City needs for the current and last option terms.

Approval of this recommendation will authorize staff to (1) amend the current option purchase order to increase available funds and (2) issue a purchase order after the current option expires for the last option allowed under the Request for Bid.

Climate Smart San José: The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

Commission Recommendation/Input: There is no commission recommendation or input associated with this action.

COST AND FUNDING SOURCE:

Various departments, as appropriated. Ordering on this open purchase order is managed by the Information Technology Department. Each department places orders through the Information Technology Department as required, subject to the appropriation of funds.

FOR QUESTIONS CONTACT: Jennifer Cheng, Deputy Director of Finance at jennifer.cheng@sanjoseca.gov.