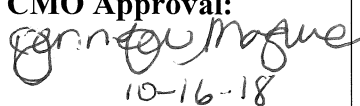


CITY COUNCIL ACTION REQUEST

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: Information Technology Department, City Attorney's Office, and City Manager's Budget Office	Dept. Approval: /s/ Julia H. Cooper
Council District(s): Citywide			CMO Approval:  10-16-18

SUBJECT: ACTIONS RELATED TO CITYWIDE PURCHASE ORDERS FOR COMPUTER PARTS, PERIPHERALS, AND PC SOFTWARE

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to:

1. Amend Citywide Purchase Orders OP 55573 with B&H Photo & Electronics (New York, NY), OP 55526 with ComputerLand of Silicon Valley (San José, CA), OP 55518 with SHI International Corp. (Somerset, NJ), and OP 56306 with CDW Government, Inc. (Vernon Hills, IL) for the purchase of computer parts, peripherals, and PC software to increase the aggregate compensation by \$920,000 for the term beginning July 1, 2018 and ending June 30, 2019 for a total aggregate compensation not to exceed \$2,000,000, subject to the appropriation of funds; and
2. Approve a contingency of \$500,000 to further amend the purchase orders as may be required to meet any additional unanticipated increases in City demand through June 30, 2019, subject to the appropriation of funds.

Desired Outcome: Continue providing City departments with a quick and efficient process to purchase hardware and software.

BASIS FOR RECOMMENDATION:

City departments currently purchase various computer parts and peripherals such as hard drives, projectors, routers, computer accessories, and software through four Citywide purchase orders. Three of these purchase orders (B&H Photo Electronics, ComputerLand of Silicon Valley, and SHI International Corporation) were awarded through a multi-award Request for Proposal (RFP) process conducted by the Finance Department in 2015. In addition, the City issued a fourth purchase order to CDW Government through a cooperative agreement with the National Intergovernmental Purchasing Alliance (NIPA) pursuant to San José Municipal Code 4.12.225 to ensure that City Staff had access to a broader range of Adobe software than was offered by the other resellers.

These purchase orders were initially issued on July 1, 2018 for amounts within the City Manager's contract authority under San José Municipal Code Section 4.04.020. Staff has now determined that the need is greater, and approval of this recommendation will allow Staff to increase these purchase orders as required to fully accommodate the City's estimated demand for these products and services through June 30, 2019.

Staff plans to issue a new RFP for these products and services later this year. City purchases through these purchase orders have significantly increased over the past three years, and it could be beneficial to the City to reassess available price discounts given the increase in volume.

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

Office of Equality Assurance: Not applicable.

This Council item is consistent with the City's 2018-2019 Capital Budget City Service Areas Delivery Framework for a "*high performing workforce that is committed to exceeding internal and external customer expectations.*"

COST AND FUNDING SOURCE:

Various City Departments

FOR QUESTIONS CONTACT: Jennifer Cheng, Deputy Director of Finance, at (408) 535-7059