



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 14

Section Name: {{section.name}}

Account Number: 81-2100

File ID: {{item.tracking_number}}

TO: City Council
FROM: Alex Khojikian, City Manager
PREPARED BY: Information Technology Department
MEETING DATE: October 21, 2024
SUBJECT:
Personal Computer Replacements — Purchase

RECOMMENDATION:

Adopt a Resolution to approve an alternative purchasing procedure and approve a Master Purchasing Agreement with Lenovo Inc. for the purchase of 93 personal computers in an amount not-to-exceed \$120,342.82; establish a contingency reserve in the amount of \$18,051.42, for a total amount of \$138,394.24; and authorize the Director of Information Technology to execute the agreement in substantially the form presented.

BACKGROUND:

The City's personal computer (PC) replacement strategy is to replace PCs after five years of service to mitigate maintenance issues and support problems, and to keep equipment within industry standards. The PC replacement fund is based on this amortization schedule with approximately 93 PCs currently identified as due for replacement.

On Nov 20, 2023, Council approved the previous cycle of PC replacements. A not-to-exceed purchase agreement with a preferred vendor was also approved, providing benefits over a fixed bid purchase for Lenovo brand PCs. This purchase agreement represents a continuation of these established PC replacement purchasing practices.

Staff obtained the quotation for the proposed purchase through a national government purchasing cooperative known as the National Cooperative Purchasing Alliance (NCPA). NCPA contracts allow participants to pay less through competitively solicited, evaluated, and awarded contracts that leverage the cooperative buying power of local government agencies. During this process, a lead agency issued a Request for Proposals for the establishment of a Master Agreement, and vendors are selected through a competitive process. Lenovo Inc. (Lenovo) is a participating vendor under NCPA contract # 01-146. A quotation from Lenovo is provided for reference as Attachment 2. The continued use of Lenovo products is recommended due to Lenovo's customer support and service quality, efficient warranty and replacement policy, and because Lenovo products have proven to be of high quality, stable and reliable, with a low hardware failure rate. In addition to the Lenovo quote, staff recommends a 15 percent contingency reserve to account for changes in PC models during the replacement cycle or any unforeseen changes in departmental needs.

Municipal Code section 3.60.070(h)(3) provides that the City may use any purchasing procedures approved by the City Council if the City Council makes a finding concurrent with the award of the contract that the procedures are in the best interest of the City. The NCPA procurement service offers competitively priced contracts for goods and services, avoiding costs normally associated with the development of highly technical bid specifications, while assuring that competitive prices were received. Based on the above, staff recommends approving the purchase of 93 PCs pursuant to the Master Purchasing Agreement with Lenovo for an amount not to exceed \$120,342.82 and a contingency reserve of \$18,051.42, for a total amount of \$138,394.24.

BUDGET IMPACT:

Funds have been accrued and are available through the Computer Replacement Fund for this purchase. The total amount of the purchase will be an amount not-to-exceed \$138,394.24

ENVIRONMENTAL DETERMINATION:

This Council action is exempt from CEQA, because it can be seen with certainty that there is no possibility the purchase of personal replacement computers may have a significant effect on the environment. (CEQA Guidelines Section 15061(b)(3).)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - Proposed Resolution

Att 2 - Lenovo Inc. pricing quote

Att 3 - Master Agreement

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