



Chandler - Arizona  
#1 in Customer Satisfaction for 10th year

**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**1. Agenda Item Number:**

17

**2. Council Meeting Date:**  
February 27, 2014

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** February 6, 2014

**THROUGH: CITY MANAGER**

**4. Requesting Department:** City Manager

**5. SUBJECT:** Network equipment and professional services for installation of a citywide secondary Internet connection

**6. RECOMMENDATION:** Recommend approval of the utilization of City of Tempe contract #IT11-048-01 for the purchase of Cisco network equipment and professional services for the Redundant Internet Connectivity Project from NEC in an amount not to exceed \$156,120.

**7. HISTORICAL BACKGROUND/DISCUSSION:** City services are becoming increasingly dependent on 24/7/365 connectivity to the Internet to provide expected citizen service results. Several applications are already totally hosted over the Internet with several more planned in the near future. Currently, the City has a single Internet connection through one provider, creating a risk for loss of service. During the FY 13/14 budget process a decision package was approved and funded to install a second Internet connection into City Hall, which will provide a second entry into the City via a third party carrier for Internet connectivity. This request is to purchase the network equipment for the second Internet connection. This connection will increase the Internet connectivity bandwidth available for providing city services and will allow for continued service in the event of failure of either of the City's two Internet connections.

**8. EVALUATION PROCESS:** Cisco network equipment and services have been competitively bid by the City of Tempe and were awarded to NEC in June 2011 on behalf of several municipalities, including Chandler who extensively use Cisco equipment and services. The initial contract term was for one year, allowing for three subsequent one year extensions. The contract has been structured with a 40.5 percentage discount from the List Price Product and Service Schedule but also allows users to receive promotional pricing, trade-in pricing and cumulative volume discounts as applicable. For this particular purchase, NEC is offering a special promotional discount of 44% off of list price for the equipment.

**9. FINANCIAL IMPLICATIONS:**

Cost: \$156,120  
Savings: N/A  
Long Term Costs: N/

**Fund Source:**

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
401-1287-5219-6IT084	General Government Capital Projects	Redundant Internet Connectivity	Yes	\$31,120
401.1287-6315-6IT084	General Government Capital Projects	Redundant Internet Connectivity	Yes	\$125,000

**10. PROPOSED MOTION:** Move to approve the utilization of City of Tempe contract #IT11-048-01 for the purchase of Cisco network equipment and professional services for the Redundant Internet Connectivity Project from NEC in an amount not to exceed \$156,120.

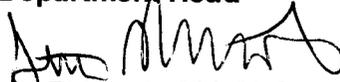
**APPROVALS**

**11. Requesting Department**



Patrick Hait, IT Infrastructure Manager

**12. Department Head**



Steven Philbrick, Chief Information Officer

**13. Procurement Officer**



Carolee Stees, CPPB

**14. City Manager**



Rich Dlugas