



Chandler - Arizona  
Don't Just Make The Difference

PURCHASING ITEM  
FOR  
COUNCIL AGENDA

1. Agenda Item Number:

44

2. Council Meeting Date:

November 20, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: October 28, 2014

THROUGH: CITY MANAGER

4. Requesting Department: City Manager

5. SUBJECT: Purchase of network equipment

6. RECOMMENDATION: Recommend approval of the utilization of AZ State contract #ADSP012-024622 for the purchase of Cisco network equipment from Nexus IS, Inc. in the amount of \$352,031.

7. HISTORICAL BACKGROUND/DISCUSSION: Most City of Chandler information technology infrastructure equipment is evaluated after 5 years of operation to determine reliability and viability for continued use. Network infrastructure at remote City sites has been evaluated this fiscal year under this methodology. It has been determined that this equipment has reached end of useful life and needs to be replaced to reduce the risk of unplanned outages. All equipment has been in use for over 5 years and is being replaced as part of the technology replacement cycle.

The networking infrastructure equipment being replaced is installed in various remote City facilities that allow those locations to connect to critical City technology services that are provided on centralized systems. This connectivity is crucial to processes that require connectivity to City technology services and systems.

NEXUS IS, Inc., is an authorized reseller of Cisco hardware, has a participating Western States Contracting Alliance contract and was able to work with the City and Cisco to authorize additional savings outside of standard negotiated discounts.

8. EVALUATION PROCESS: Cisco network equipment was competitively bid by the State and a contract was awarded to Nexus IS, Inc. in May 2012 and the contract has been extended through May 2015. The contract allows for a minimum 40% discount off of list price for equipment. Nexus IS, Inc. is providing a 47% discount off of list price on the equipment.

9. FINANCIAL IMPLICATIONS:

Cost: Equipment	\$ 273,173
5 years maintenance	\$ <u>78,858</u>
Total	\$ 352,031

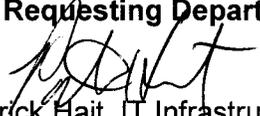
Fund Source:

<u>Acct. No.</u>	<u>Fund</u>	<u>Amount</u>
403.1290.6315.000000	Technology Replacement	\$ 352,031

10. PROPOSED MOTION: Move to approve the utilization of AZ State contract #ADSP012-024622 for the purchase of Cisco network equipment from Nexus IS, Inc. in the amount of \$352,031.

**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