



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

51

2. Council Meeting Date:

September 20, 2007

TO:

MAYOR & COUNCIL

3. Date Prepared: August 27, 2007

THROUGH:

CITY MANAGER

4. Requesting Department: City Manager

5. SUBJECT: Approval to purchase network servers from International Business Machines Corporation (IBM) through the use of a purchase order pursuant to the Western States Contracting Alliance (WSCA) Agreement #A63311 in an amount not to exceed \$490,000

6. RECOMMENDATION: Recommend approval to purchase network servers from International Business Machines Corporation (IBM) through the use of a purchase order pursuant to the Western States Contracting Alliance (WSCA) Agreement #A63311 in an amount not to exceed \$490,000.

7. HISTORICAL BACKGROUND/DISCUSSION: The City is in its tenth year of a Technology Refresh program that has provided Departments with faster and more powerful network servers and improved computer security and network capabilities.

Historically, the City has followed a three-year lifecycle replacement plan to insure standardized, stable, predictable and reliable server for excellent Staff productivity.

The cost savings in going to a four-year lifecycle will be an approximate amount of \$514,000 over four years. Staff recommends going to a four-year lifecycle. However, the systems will be designed for a longer life cycle, such as a faster Central Processing Unit, higher memory and faster hard drives.

In FY 2007/08, the City will be purchasing approximately 30 network servers, utilizing the WSCA Agreement #A63311 with IBM. Under WSCA Agreements IBM will provide a parts and labor warranty for these network servers the term of a four-year period.

8. EVALUATION PROCESS: The purchase of network servers has been competitively bid by the State of Minnesota through the Western States Contracting Alliance (WSCA). IBM was awarded a contract to provide these servers. The use of this contract eliminates the cost of issuing a bid, reduces the lead-time in obtaining the products and provides for very competitive pricing.

9. FINANCIAL IMPLICATIONS: Funds for this project are available from Computer Replacement, Non-Departmental, Computer Hardware 713.1290.0000.6315.000000 - \$490,000.

10. PROPOSED MOTION: Move to approve the purchase of network servers from International Business Machines Corporation (IBM) through the use of a purchase order pursuant to the Western States Contracting Alliance (WSCA) Agreement #A63311 in an amount not to exceed \$490,000.

APPROVALS

11. Requesting Department

Ralph Valdez
Ralph Valdez, Host Systems/Network Supervisor

12. Department Head

Patrick Hait
Patrick Hait, Acting Chief Information Officer

13. Procurement Officer

Carolee Stees
Carolee Stees, CPPB

14. City Manager

W. Mark Pentz
W. Mark Pentz