

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2006-02

Contract for Technology and Computer Hardware Services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	01/05/06	Discussion/Possible Action	Hugh Simpson, CFO Kevin Crawford, IT Division Manager	(206) 398-5082 (206) 398-5137

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	<input checked="" type="checkbox"/>
Sole Source	<input type="checkbox"/>	Amend Existing Contract/Agreement	<input type="checkbox"/>
Agreement with Other Jurisdiction(s)	<input type="checkbox"/>	Budget Amendment	<input type="checkbox"/>

PROJECT NAME

Yearly Contract with Dell for 2006

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute a contract with Dell to provide technological and computer hardware services for 2006, update agency systems, and fulfill technological project requirements for a total authorized contract amount not to exceed \$750,000.

KEY FEATURES of PROPOSED ACTION

- This contract will authorize the Information Technology department to contract with Dell for providing on-going support and procurement of technological and computing systems in 2006, update agency systems, and fulfill technological project requirements as directed by the Technology Steering Committee.
- Procurements will include the replacement of aging hardware and purchase of new hardware for approved agency projects.
 - Aged hardware replacement, include workstations, monitors and servers as follows:
 - Workstation: 3 Years
 - Monitor: 3 Years
 - Server: 3 – 5 Years
 - Hardware requirements for projects approved by Sound Transit's Technology Steering Committee.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed action is consistent with the Adopted 2006 Budget and is affordable within the agency’s long-term financial plan and subarea financial capacity. The action will have no new revenue impact on Sound Transit.

The contract includes both capital and expense procurements. Procurements will be charged to IT, Department and Project budgets (as approved for 2006).

- IT Capital: \$335,000
- IT Expense: \$285,000
- Department: \$ 80,000 (peripheral equipment requested by department)
- Project: \$ 50,000 (peripheral equipment requested for project)

Expenditures for this contract are charged to three different areas; computer equipment over \$5,000 is charged to administrative capital; computer equipment less than \$5,000 is charged to the staff operating budget; and computer equipment requested by capital projects will be charged to the applicable project within the administrative phase.

BUDGET TABLE

Summary for Board Action (Year of Expenditure \$000)

Action Item: Contract for Information Technology Equipment (DELL)

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget:				
Workstation & Monitors			285	285
Servers			335	335
Peripheral Equipment for Departments			80	80
Peripheral Equipment for Projects		-	50	50
Total	-	-	750	750
Percent Contingency	0%		0%	0%

	Adopted 2006 Budget	Spent to Date	This Action	Suplus
Staff and Direct charge Budget				
1 Staff Operating Budget	551		365	186
2 Administrative Capital	335		335	-
3 Capital Projects Administrative Phase Budget	50		50	-
TOTAL	936	-	750	186

1 Budget for item 1 is included in the Adopted 2006 Budget in the Staff Operating budget on Page 158.

2 Administrative Capital items are on page 213 of the Adopted 2006 budget.

3 Item 3 is included in the applicable capital projects administrative phase budget.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

This contract “piggy-backs” onto the Western States Contracting Alliance (WSCA) contract for Dell Business Solutions Hardware. As such, goals for participation were not established by Sound Transit. Due to the nature of this procurement, it is also unlikely that subcontracting was reasonably achievable as the products are purchased from and delivered directly by Dell.

EEO Commitment

Dell is committed to Equal Employment Opportunity and Affirmative Action. Of its nationwide workforce reported in its 2005 Employer Information Report of 25,604 employees, 8,254 (32.2%) are people of color, and 7,816 (30.5%) are women.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

Piggy-backing onto the Western States Contracting Alliance (WSCA) contract for Dell Business Solutions Hardware allows Sound Transit to take advantage of a 15% to 40% discount afforded by this multi-agency procurement mechanism.

CONSEQUENCES of DELAY

A delay in contract approval would prevent Sound Transit from being able to pay for maintenance and/or procure any of the above hardware/systems as required. Sound Transit will also lose maintenance support for current hardware/systems. Resumption of maintenance support, after lapse, would incur significant penalties.

ENVIRONMENTAL COMPLIANCE

Not applicable to this action.

LEGAL REVIEW

JW 12/28/05