

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2003-125

Procurement for Server Network and Workstation Equipment Replacement

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	12/3/03	Discussion/Possible Action	Hugh Simpson, Chief Financial Officer Kevin Crawford, IT Manager	(206) 398-5440 (206) 398-5137

Contract/Agreement Type:	3	Requested Action:	3
Competitive Procurement	3	Execute New Contract/Agreement	3
Sole Source		Amend Existing Contract/Agreement	
Memorandum of Agreement		Contingency Funds Required	
Purchase/Sale Agreement		Budget Amendment Required	

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

Procurement of server network equipment and workstations for the remainder of the 2003 budget year and for 2004 budget year.

ACTION

Authorizes the Chief Executive Officer to execute a contract with Dell Business Solutions to provide server network equipment and work stations for a total authorized amount not to exceed \$540,000.

KEY FEATURES

- Authorize the Chief Executive Officer to execute a contract with Dell Business Solutions to provide server network equipment and workstations for a total authorized amount not to exceed \$540,000.
- Replaces aging server network equipment and workstations that are reaching the end of their useful lives.
- This contract is being procured through a piggy-back agreement on a State of Washington Department of Information Services Master Contract for Dell Business Solutions hardware. Using this master contract allows Sound Transit to take advantage of the 15% to 40% discount, without having to engage in a lengthy RFP process.
- Agency Information Technology staff performed a hardware review and chose Dell Business Solutions over IBM and HP/Compaq. Dell Business Solutions demonstrated superior hardware support and staff support at the least cost to the agency.
- Funding (\$250K) is included in the FY2003 Budget and additional budget (\$290K) has been requested in the Proposed 2004 Budget.

BUDGET IMPACT SUMMARY

The amount requested is included in the Proposed 2004 budget, therefore no action outside of the Board-adopted budget will be necessary. There are no contingency funds required, no subarea impacts, or funding required from other parties.

BUDGET DISCUSSION

Funding for the portion of this scope of work anticipated to occur in 2003 (\$250K) is included in the FY2003 Budget and additional budget (\$290K) has been requested in the Proposed 2004 Budget.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

Passage of this motion will cause no adverse impacts to the agency's financial plan.

BUDGET TABLE

Action Item: Contract for Network Equipment (no vendor selected)

	(A) Current Approved Contract Value	(B) Spent to Date	(C) Proposed Action	(D) Proposed Total Contract Value
1 Contract Budget				
1 Network Equipment	0	-	540,000	540,000
2 Contingency	0	-	-	-
3 Total	0	-	540,000	540,000
4 Percent Contingency	0%	-	0%	0%

Contract to be Charged to:

	2003 Staff Budget	Future Staff Budgets	Direct Charges to Projects	Total
5 Network Equipment	250,000	290,000	-	540,000

Finance Department, Account Budget	2003 Board Adopted Staff Budget	Spent to Date in 2003	This Action for 2003	2003 Suplus (Shortfall)
6 Network Equipment	551,000		250,000	301,000
7				-
8 Total Account	551,000	-	250,000	301,000

Budget Shortfall

Level	\$	Revenues	Funding Source
9 NA	-	-	NA

M/W/DBE – Small Business Participation

The pricing is available only through the state master contract, on which Sound Transit will piggy-back. While the state master contract does not have an M/W/DBE component, Dell Business Solutions, Inc., the sole vendor of this contract, has in place a company-wide code of ethics, including a statement on Diversity, Equal Opportunity and Respect. Dell Business Solutions has provided Sound Transit with a copy of this statement, which is attached. The vendor will not be using subconsultants on this hardware procurement contract.

HISTORY OF PROJECT

This procurement would replace aging server network and workstation equipment that is reaching the end of its useful lives. The agency has begun replacing network servers originally purposed in 1997. Workstations are replaced as needed, usually between three and four years. Proactive replacement reduces the chances of major component failure which could result in loss of the availability of part or all of the agency data network, including the agency web site, external e-mail, project controls, finance, and /or CAD applications, for an extended period of time. Any network-based storage and/or applications could be negatively impacted resulting in lost productivity and negative financial impact to the agency.

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
	No previous relevant Board action taken.	

CONSEQUENCES OF DELAY

Ability to replace aging network server equipment and workstations is delayed. Required system upgrades and opening construction offices are also delayed.

REGIONAL PARTNERSHIP AND COOPERATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

MB/11/25/03

SOUND TRANSIT

MOTION NO. M2003-125

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract with Dell Business Solutions to provide server network equipment and work stations for a total authorized contract amount not to exceed \$540,000.

Background:

This procurement would replace aging server network and workstation equipment that is reaching the end of its useful lives. The agency has begun replacing network servers originally purposed in 1997. Workstations are replaced as needed, usually between three and four years of use. Proactive replacement reduces the chances of major component failure which could result in loss of the availability of part or all of the agency data network, including the agency web site, external e-mail, project controls, finance, and /or CAD applications, for an extended period of time. Any network-based storage and/or applications could be negatively impacted resulting in lost productivity and negative financial impact to the agency.

Motion:

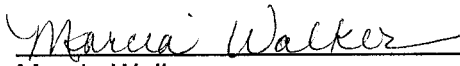
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract with Dell Business Solutions to provide server network equipment and work stations for a total authorized contract amount not to exceed \$540,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 3, 2003.



Kevin Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator