

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2009-08**

**Contract for Technology Hardware**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	1/22/09	Discussion/Possible Action	Brian McCartan, CFO <b>Jason Weiss, Acting CIO</b>	(206) 398-5082 (206) 398-5293

<b>Contract/Agreement Type:</b>	<b>✓</b>	<b>Requested Action:</b>	<b>✓</b>
Using other Agency Competitive Contracts	✓	Execute New Contract/Agreement	✓
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	

**PROJECT NAME**

Contract with Dell for Technology Hardware for 2009

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract with Dell, Inc. for technology hardware purchases and hardware maintenance services for a total authorized contract amount not to exceed \$800,000.

**KEY FEATURES of PROPOSED ACTION**

- Procurements will include the replacement of aging hardware and the purchase of new hardware for approved agency projects for both full time employee and consulting staff of approximately 900.
  - Replace aged hardware, include workstations, monitors and servers as follows:
    - Workstation: 4 Years
    - Monitor: 4 Years
    - Server: 3 – 5 Years
  - Hardware requirements for projects approved by Sound Transit’s Technology Steering Committee.
- This contract piggy-backs on the Western States Contracting Alliance (WSCA) for Dell Business Solutions Hardware. Using the agreement allows Sound Transit to take advantage of a 15% to 40% discount afforded by this multi-agency procurement mechanism.
- Sound Transit has procured technology hardware through a similar method for the past five years; each with an annual contract to cover the year’s expected expenses.

**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 current adopted 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 Dell contract will be charged \$400,000 to admin capital and \$400,000 to other department budgets.

Servers costing more than \$5,000 each are budgeted with the Agency Administrative capital budget located on page 233 of the proposed 2009 Budget book. Capital Technology for projects is charged, as requested, to the agency administration phase of the appropriate project provided that it demonstrates sufficient budget within the project phase.

**BUDGET TABLE**

**Summary for Board Action (X \$1,000)**

<b>Action Item: Dell</b>				
	<b>Adopted 2009 Budget</b>	<b>Spent to date in 2009</b>	<b>Contract Expenditures 2009</b>	<b>Remaining 2009 Budget</b>
<b>Current Year Budget</b>				
Service Delivery Capital	176		80	96
Light Rail Capital	22,903		80	22,823
Sounder	3,549		80	3,469
Regional Express	2,024		80	1,944
Agency Operations	298		80	218
Adminstration Capital	803		400	403
<b>Total Account Category</b>	<b>28,950</b>	<b>-</b>	<b>800</b>	<b>28,953</b>

**Budget Shortfall**

<b>Level</b>	<b>Shortfall</b>	<b>Resources</b>	<b>Funding Source</b>
N/A	-	-	N/A

<b>Contract Spending Plan</b>	<b>Prior Year(s) Spending</b>	<b>2009 Spending</b>	<b>Future Expenditures</b>	<b>Total</b>
<b>Total Account Category</b>		800	-	800

	<b>Current Approved Contract Value</b>	<b>Spent to Date</b>	<b>Proposed Action</b>	<b>Proposed Total Contract Value</b>
<b>Contract Budget</b>				
Corporate Services & Agency Operations	-	-	800	800
Contingency	-	-		-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>800</b>	<b>800</b>
<b>Percent Contingency</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>0%</b>

**Notes:**

Budget for this item is included in the Sound Transit Staff Operating Budget Summary page 69,95,115, 143 &184 of the 2009 Board Adopted Budget.

**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.

EEO Commitment

Dell is committed to Equal Employment Opportunity and Affirmative Action. Of its nationwide workforce of 27,332 employees, 51% are women and people of color, and 31% are women.

## **PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

This action will authorize the chief executive officer to execute a contract with Dell, Inc. to provide technology hardware and hardware maintenance services for desktop, server and data center projects approved by Sound Transit's Technology Steering Committee for 2009.

This contract piggy-backs on the Western States Contracting Alliance (WSCA) for Dell Business Solutions Hardware. Using the agreement allows Sound Transit to take advantage of a 15% to 40% discount afforded by this multi-agency procurement mechanism.

Sound Transit has procured technology hardware through a similar method for the past five years; each with an annual contract to cover the years expected expenses.

## **CONSEQUENCES of DELAY**

The 2008 annual Dell contract has sufficient authority through March 1, 2009. If this action is not approved, it may be reviewed again by the Finance Committee in February 2009 without impact. If this action is not approved by February 28, 2009, IT will need to individually procure products and services for hardware/systems as required by the agency, at a higher rate than available through the WSCA piggyback. The agency may also lose maintenance support for current hardware/systems. Resumption of said maintenance, after a lapse, would incur significant penalties.

## **PUBLIC INVOLVEMENT**

Not applicable to this action.

## **ENVIRONMENTAL COMPLIANCE**

SSK 1-14-09

## **LEGAL REVIEW**

JW 1/14/09

**SOUND TRANSIT**

**MOTION NO. M2009-08**

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, Inc. for technology hardware purchases and hardware maintenance services for a total authorized contract amount not to exceed \$800,000.

**Background:**

This action will authorize the chief executive officer to execute a contract with Dell, Inc. to provide technology hardware and hardware maintenance services for desktop, server and data center projects approved by Sound Transit's Technology Steering Committee for 2009.

This contract piggy-backs on the Western States Contracting Alliance (WSCA) for Dell Business Solutions Hardware. Using the agreement allows Sound Transit to take advantage of a 15% to 40% discount afforded by this multi-agency procurement mechanism.

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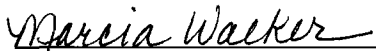
**Motion:**

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, Inc. for technology hardware purchases and hardware maintenance services for a total authorized contract amount not to exceed \$800,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 22, 2009.

  
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Fred Butler  
Finance Committee Vice Chair

ATTEST:

  
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Marcia Walker  
Board Administrator