

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2010-19

Contract for Technology Hardware Purchase & Maintenance Services

| Meeting: | Date: | Type of Action: | Staff Contact: | Phone: |
|-------------------|--------------|----------------------------|---|----------------------------------|
| Finance Committee | 2/4/10 | Discussion/Possible Action | Brian McCartan, CFO Jason Weiss, Deputy CIO | (206) 398-5082 (206) 398-5293 |

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

PROJECT NAME

Technology Hardware Purchase and Maintenance Services

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 employees and consulting staff of approximately 900.
 - Replace aged hardware, including workstations, monitors and servers as follows:
 - Workstation: 4 Years
 - Monitor: 4 Years
 - Server: 3 – 5 Years
 - Meet hardware requirements for projects approved by Sound Transit’s Technology Steering Committee.
 - The request includes sufficient funds for planned 2010 staff and consultant growth.
- 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 six 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.

\$400,000 will be charged to the Administrative Capital Budget and \$400,000 will be charged to other department budgets.

Servers over \$5,000 each are budgeted with the Agency Administrative capital budget located on page 6 of the Adopted 2010 Transit Improvement Plan 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)

| Action Item: Dell | | | | |
|-------------------------------------|---------------------|-----------------------|----------------------------|-----------------------|
| | Adopted 2010 Budget | Spent to date in 2010 | Contract Expenditures 2010 | Remaining 2010 Budget |
| Current Year Budget | | | | |
| Project Delivery | 2,547 | - | 133 | 2,414 |
| Service Delivery | 175 | - | 133 | 42 |
| Agency Administration & System-wide | 292 | - | 133 | 159 |
| Adminstration Capital | 2,900 | - | 400 | 2,500 |
| Total Account Category | 5,914 | - | 800 | 5,114 |

Budget Shortfall

| Level | Shortfall | Resources | Funding Source | |
|------------------------|-----------|------------------------|---------------------|-------|
| N/A | - | - | N/A | |
| Contract Spending Plan | | Prior Year(s) Spending | Future Expenditures | Total |
| Total Account Category | | | 800 | 800 |

| Contract Budget | Current Approved Contract Value | Spent to Date | Proposed Action | Proposed Total Contract Value |
|--|---------------------------------|---------------|-----------------|-------------------------------|
| Corporate Services & Agengy Operations | - | - | 800 | 800 |
| Contingency | - | - | - | - |
| Total | - | - | 800 | 800 |
| Percent Contingency | - | - | 0% | 0% |

Notes:

Budget for this item is included in the Sound Transit 2010 Transit Improvement Plan summary page 6 of the 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.

Equal Employment Workforce Profile (% Women/People of Color)

51% of Dell's workforce are women or people of color; 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 2010.

This contract piggy-backs on the Western States Contracting Alliance (WSCA) for Dell Business Solutions Hardware. Using the WSCA 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 six years; each with an annual contract to cover the years expected expenses.

CONSEQUENCES of DELAY

A delay of two weeks would not significantly impact planned hardware procurements. If this action is not approved, IT would need to individually procure products and services for hardware/systems as required by the agency.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

SSK 1-25-10

LEGAL REVIEW

JW 1/26/10

SOUND TRANSIT

MOTION NO. M2010-19

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 2010.

This contract piggy-backs on the Western States Contracting Alliance (WSCA) for Dell Business Solutions Hardware. Using the WSCA 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 six years; each with an annual contract to cover the years expected expenses.

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 February 4, 2010.



Fred Butler
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator