

## Motion No. M2023-60

### Contract with CDW-Government LLC for Lenovo Laptop Supply Services

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience and Operations Committee	08/03/2023	Final action	Mary Cummings, Chief Administrative Officer <b>Jason Weiss, Chief Information Officer</b> Cindy Salsbury, Deputy Director, IT Support Services Kevin Campbell, Manager, IT Desktop Services

### Proposed action

Authorizes the chief executive officer to execute a contract with CDW-Government LLC to provide IT hardware and recycling services through April 2026 with two one-year options to extend, for a total authorized contract amount not to exceed \$10,000,000, plus applicable taxes.

### Key features summary

- Sound Transit will enter a cooperative “piggyback” contract based on the OMNIA Partners Public Sector Contract with CDW-Government LLC (CDW-G) for items and services including:
  - The replacement of aging hardware.
  - The maintenance renewals for hardware.
  - The purchase of new hardware (Lenovo laptops, desktops, and docking stations) for approved agency projects for Sound Transit full-time employees and consulting staff.
  - The recycling of hardware which includes computers, televisions, and any additional IT related items.
- The term of the OMNIA Partners master contract runs through April 30, 2026, with two one-year options to renew.
- The requested funds are intended to provide services through the April 2026 expiration of the current OMNIA Partners master contract. If the OMNIA Partners contract is extended, Sound Transit may continue to use the contract if there is money remaining in the authorized contract amount. If additional funds are needed for the option years, Staff will return to the Committee to request that approval.
- The planned transition to Lenovo as the new standard for agency computers is anticipated to reduce technology hardware costs overall, mitigating increasing hardware costs from Dell in recent years. The transition will result in a lower cost per user for a laptop or desktop computer, leveraging the improved discount percentage in the piggyback contract.
- Applicable taxes on the contract are currently estimated to be \$1,025,000.

## Background

For the past 17 years, Sound Transit utilized successive “piggyback” contracts to purchase desktops and laptops through Dell Marketing L.P. During the evaluation of new hardware technologies, it was determined that it would be beneficial for the agency to transition the purchases of the desktop and laptops to CDW-G for Lenovo products. The reasons for this determination are set forth below.

Sound Transit has not completed a PC Refresh since before the COVID-19 pandemic. The standardized lifecycle of our machines has previously been two years; however, the agency was recently able to extend its warranties for an additional year to help alleviate overspending. This extension allows the agency to stay within the warranty window for support, but also hinders the hardware lifecycle by putting those assets at a three-year tolerance and increasing the PC Refresh numbers for that lifecycle group.

The State of Washington participates in the OMNIA partners contract to consolidate purchasing power and achieve a 2.5 to 6.75 percent discount on the various goods and services listed above.

Disposal through Lenovo is handled internally through Lenovo and is based off model, functionality, and weight. Lenovo also buys back items that are still under warranty, which Dell Marketing L.P. does not. This has been costly to the agency in the past. Lenovo also provides disposal services for all electronics, including printers, TVs, networking equipment, etc. In the past, IT expended significant resources when disposing of electronics. Lenovo Asset Recovery Services is a cash-back solution to recover value on the end-of-life equipment based on its remaining market value in a cost effective and secure way. In addition to simplifying the transition from old to new equipment, Lenovo’s dedicated project management team will:

- negotiate the most aggressive value for idle IT assets;
- ensure the safe disposition of assets at end-of-life, including secure data destruction;
- ensure compliance with the latest environmental regulations and best practices; and
- provide Sound Transit legal documentation and certificates evidencing proper data destruction and environmental processing.

## Procurement information

This Purchase Order contract will be issued pursuant to OMNIA Partners cooperative purchasing Contract No. 23-6692-02 for Technology Product Solutions and Related Services. This contract was awarded through a competitive Request for Proposals (RFP) process, where Cobb County, GA was the lead procurement agency. The resulting contract was made available through OMNIA Partners’ national cooperative purchasing program. The RFP (No. 23-6692) was issued on August 26, 2022. Eighteen proposals were received in response to the RFP and were evaluated on cost and non-cost factors, including: relevant experience/performance, product options/variety/availability/service capability, financial stability, response to national program, and cost. Cobb County awarded resulting contracts to the top five ranked proposers, of which CDW-G was included. Of the five contracts awarded, CDW-G offers the best value for the Lenovo products to be purchased by Sound Transit.

The OMNIA Partners contract has rigorous supplier commitments to ensure supplier partners offer their best supplier government pricing which allows Sound Transit to take advantage of the discounts afforded by this multi-agency procurement mechanism.

## Fiscal information

This action authorizes the execution of a contract with CDW-G Lenovo Laptop Supply Services to

purchase hardware and recycling services. The contract includes funding from both the IT Tech Infrastructure Program and the Information Technology Department's Materials & Supplies budget, for a total authorized amount not to exceed \$11,025,000 including estimated taxes. The hardware and recycling services described in this proposed action will be assigned on an as needed basis. Future funding for hardware (laptop/desktop) replacement will come from the IT Tech Infrastructure Program. Equipment purchases due to future agency growth and recycled equipment will come from the Materials & Supplies Category of the IT Department Budget. As services will be rendered on an as-needed basis, cost distribution will be determined as needed.

This action does not have an impact on the affordability of the agency's Financial Plan because these costs for equipment and recycling services are within the long-term projection.

### **Disadvantaged and small business participation**

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Small business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of small businesses/DBEs available to perform such subcontracting work.

These services are being procured via a Piggyback contract, the OMNIA Partners Contract with CDW-G, so analyses for determining small business/DBE goals were not undertaken; as such, small business/DBE goals were not established by Sound Transit for this procurement.

### **Public involvement**

Not applicable to this action.

### **Time constraints**

A one-month delay would significantly impact continuity of progress to applicable programs and project schedules.

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**Environmental review** – KH 7/24/2023

**Legal review** – DLM 7/21/2023



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A motion of the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with CDW-Government LLC to provide IT hardware and recycling services through April 2026 with two one-year options to extend, for a total authorized contract amount not to exceed \$10,000,000, plus applicable taxes.

### Background

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- The recycling of hardware which includes computers, televisions, and any additional IT related items.

The term of the OMNIA Partners master contract runs through April 30, 2026, with two one-year options to renew. The requested funds are intended to provide services through the April 2026 expiration of the current OMNIA Partners master contract. If the OMNIA Partners contract is extended, Sound Transit may continue to use the contract if there is money remaining in the authorized contract amount. If additional funds are needed for the option years, Staff will return to the Committee to request that approval.

The planned transition to Lenovo as the new standard for agency computers is anticipated to reduce technology hardware costs overall, mitigating increasing hardware costs from Dell in recent years. The transition will result in a lower cost per user for a laptop or desktop computer, leveraging the improved discount percentage in the piggyback contract. Applicable taxes on the contract are currently estimated to be \$1,025,000.

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recover value on the end-of-life equipment based on its remaining market value in a cost effective and secure way. In addition to simplifying the transition from old to new equipment, Lenovo's dedicated project management team will:

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- ensure compliance with the latest environmental regulations and best practices; and
- provide Sound Transit legal documentation and certificates evidencing proper data destruction and environmental processing.


**Motion**

It is hereby moved by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract with CDW-Government LLC to provide IT hardware and recycling services through April 2026 with two one-year options to extend, for a total authorized contract amount not to exceed \$10,000,000, plus applicable taxes.

APPROVED by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 3, 2023.

  
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Kristina Walker  
Rider Experience and Operations Chair

**Attest:**

  
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Adam Montee, on behalf of  
Kathryn Flores  
Board Administrator