

STAFF REPORT

DATE: March 28, 2017

TO: Board of Supervisors

FROM: Terri Knowlton, Chief Administrative Office, Procurement & Contracts
David Russell, Information Technologies Department

RE: Computer Equipment Purchases FY 2016-17 – Increase to Countywide Blanket Purchase Order BP20170053

Each year, all departments work with Information Technologies to plan and include funding in departmental budgets for computer equipment purchases. Purchases include new and replacement monitors, laptops and desktop computers based on recommended “refresh” plans as funding allows, as well as changing program needs and unique requirements for computer equipment used with State and Federal programs.

Beginning in June 2016, Information Technologies (IT) worked with staff in Procurement and Contracts to identify the best pricing alternatives for departmental computer equipment purchases in FY 2016-17, including use of available cooperative purchase agreements that would meet County requirements. Staff identified the opportunity to “piggyback” on contracts with the State of California, Department of General Services (DGS) for the purchase of computer monitors and panels, laptops, and desktop computers as allowed by Purchasing Ordinance Section 3.12.160 (D). Staff conducted a comparative market analysis to compare pricing under the State DGS contracts to other vendors’ price quotes. This analysis confirmed that the DGS pricing was competitive and, in accordance with Purchasing Ordinance 3.12.160 Section D, the Purchasing Agent determined that competitive bidding was not required.

On August 18, 2016, the Purchasing Agent issued blanket purchase order BP20170053 to PC Specialists, dba Technology Integration Group (TIG) in the amount of \$95,000 for the purchase of laptop computers, monitors, desktop computers and related products for use by all County departments for the period of 8/18/16 through 6/10/17 (the end date of the DGS contracts). By January 2017, department purchases had reached the \$95,000 blanket purchase order amount. The Purchasing Agent then increased the blanket purchase order to \$99,995 to accommodate additional purchases up to the Purchasing Agent’s authority; initiated an analysis of purchases made to date; and requested that IT conduct a survey of all departments to identify equipment needs through the end of the fiscal year. The results of the analysis and survey are provided below.

The following table summarizes purchases through February 2017:

COUNTYWIDE MONITOR / LAPTOP / PC PURCHASES AS OF FEBRUARY 2017							
DEPARTMENT	GEN FUND	FED	STATE	FEES/ PERMITS	OTHER	TOTAL	ITEMS
AGRICULTURE							NONE
AQMD					\$ 1,452	\$ 1,452	MONITORS
ASSESSOR							NONE
AUDITOR							NONE
BOS	\$ 1,001					\$ 1,001	LAPTOP
CAO	\$ 1,560					\$ 1,560	MONITORS
CDA	\$ 700		\$ 700	\$ 1,968	\$ 1,006	\$ 4,373	MONITORS/LAPTOPS
CHILD SUPP							NONE
COUNSEL	\$ 745					\$ 745	MONITORS
DIST ATTY	\$ 2,998					\$ 2,998	LAPTOPS/MONITORS/PCs
ELECTIONS							NONE
GR JURY							NONE
HHS A		\$ 56,264	\$ 18,755			\$ 75,019	LAPTOPS/MONITORS/PCs
HR							MONITORS
IT	\$ 1,397					\$ 1,397	MONITORS / PCs
LIBRARY							NONE
PROBATION	\$ 1,116					\$ 1,116	MONITORS
PUBLIC DEF							MONITORS
RECORDER							NONE
REV RECOVERY							NONE
SHERIFF	\$ 7,273					\$ 7,273	PCs
SURVEYOR							NONE
TREAS/TAX	\$ 3,022					\$ 3,022	PCs / MONITORS
VETERANS							NONE
WATER AGENCY							NONE
TOTAL BY SOURCE	\$ 19,812	\$ 56,264	\$ 19,454	\$ 1,968	\$ 2,458	\$ 99,956	
	20%	56%	19%	2%	2%	100%	

ITEM	QUANTITY	TOTAL COST	AVG UNIT COST
MONITORS	139	\$ 28,140	\$ 203
LAPTOPS	32	\$ 53,921	\$ 1,660
PCs	31	\$ 17,895	\$ 536
TOTAL		\$ 99,956	

Of the \$99,956 spent to date, \$82,061 has been for monitors and laptops; the majority of purchases have been for the Health and Human Services Agency (\$75,019); and the majority of purchases have been made from non-General fund sources (\$80,144). The increased number of monitors purchased is due to the need to replace aging monitors (some of which are over ten years old) with monitors that are more compatible with the Virtual Desktop Infrastructure (VDI) environment as well providing larger size monitors for users of the new FENIX system.

The following table summarizes purchase needs identified by departments for the remainder of Fiscal Year 2016-17:

**COUNTYWIDE MONITOR / LAPTOP / PC PURCHASES
ADDITIONAL PURCHASES NEEDED THROUGH JUNE 2017**

DEPARTMENT	GEN FUND	FED	STATE	FEES/ PERMITS	OTHER	TOTAL	ITEMS
AGRICULTURE	\$ -					\$ -	NONE
AQMD	\$ -		\$ 544			\$ 544	MONITORS
ASSESSOR	\$ -					\$ -	NONE
AUDITOR	\$ 1,200					\$ 1,200	LAPTOP
BOS	\$ 2,582					\$ 2,582	MONITORS
CAO	\$ 7,000					\$ 7,000	MONITORS
CDA	\$ 2,131		\$ 2,131	\$ 5,994	\$ 3,064	\$ 13,320	MONITORS/LAPTOP/PC
CHILD SUPP	\$ -	\$ 990	\$ 510			\$ 1,500	PC
COUNSEL	\$ 3,734					\$ 3,734	MONITORS
DIST ATTY	\$ 2,000					\$ 2,000	MONITOR/PC
ELECTIONS	\$ -					\$ -	NONE
GR JURY	\$ -					\$ -	NONE
HHSА	\$ -	\$ 27,700	\$ 9,233			\$ 36,934	LAPTOPS/PCs
HR	\$ 772					\$ 772	MONITORS
IT	\$ 9,269					\$ 9,269	MONITORS
LIBRARY	\$ -					\$ -	NONE
PROBATION	\$ -		\$ 3,360			\$ 3,360	MONITORS
PUBLIC DEF	\$ 4,979					\$ 4,979	MONITORS
RECORDER	\$ -					\$ -	
REV RECOVERY	\$ -					\$ -	
SHERIFF	\$ 10,465					\$ 10,465	UNSPECIFIED
SURVEYOR	\$ -					\$ -	
TREAS/TAX	\$ -					\$ -	
VETERANS	\$ -					\$ -	
WATER AGENCY	\$ -					\$ -	
TOTAL	\$ 44,132	\$ 28,690	\$ 15,778	\$ 5,994	\$ 3,064	\$ 97,658	
	45%	29%	16%	6%	3%	100%	

ITEM	QUANTITY	TOTAL COST	AVG UNIT COST
MONITORS	213	\$ 43,184	\$ 203
LAPTOPS	11	\$ 18,265	\$ 1,660
PCs	48	\$ 25,744	\$ 536
UNSPECIFIED		\$ 10,465	N/A
TOTAL		\$ 97,658	

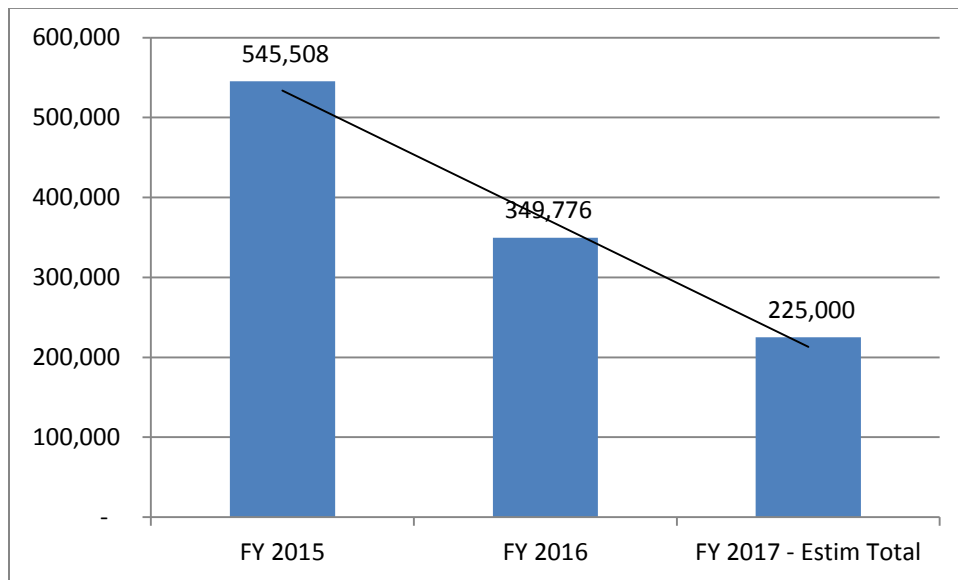
ESTIM TAXES, ENV FEES \$ 9,766
TOTAL PROJECTED \$ 107,423

In the survey conducted by Information Technologies, approximately \$107,423 has been identified for additional departmental purchases in FY 2016-17. Of this amount, the majority

is for monitors and laptops (approximately \$67,000 including taxes and environmental fees). The purchase of desktop computers is primarily associated with the Health and Human Services Agency for replacement of approximately 44 aging desktop PCs that are needed to run State programs that are not able to be converted to the VDI environment.

Countywide Computer Purchase History

For comparison purposes, the chart below shows historical purchases for the commodities included on the current blanket purchase order. Purchases in FY 2014-15 were approximately \$545,500 with a steady decline to approximately \$225,000 anticipated in FY 2016-17. This significant decline is primarily associated with the reduced need to purchase desktop computers due to the implementation of Virtual Desktop Infrastructure (VDI) project.



Recommendation

Based on the year-to-date purchases and the anticipated future computer equipment needs of departments in FY 2016-17, the Chief Administrative Office, Procurement and Contracts staff and Information Technologies Department are recommending the Board authorize the Purchasing Agent to increase countywide blanket purchase order BP20170053 by \$125,000 to the awarded State vendor, PC Specialists, dba Technology Integration Group, for the purchase of laptops, monitors, desktop computers and related products for a total not-to-exceed amount of \$225,000. The requested total amount of \$225,000 for this blanket purchase order will accommodate the specific needs identified by departments and provide some flexibility to accommodate any additional needs that become known prior to the end of the Fiscal Year.

In accordance with Board of Supervisors Policy, all computer equipment purchases are reviewed by Information Technologies prior to approval.