



ST. CHARLES  
SINCE 1834

### AGENDA ITEM EXECUTIVE SUMMARY

Title: Motion to Recommend Waiving Formal Bid Process and to Purchase Computers in an amount not to exceed \$101,544.82.

Presenter: Peggy Forster, Information Systems Director

*Please check appropriate box:*

<input type="checkbox"/>	Government Operations	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	<input checked="" type="checkbox"/>	City Council (10/7/13)

Estimated Cost:	\$101,544.82 of which \$42,229.20 is not budgeted.	Budgeted:	YES	<input checked="" type="checkbox"/>	NO	<input checked="" type="checkbox"/>
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If NO, please explain how item will be funded:

\$59,315.62 is budgeted from computer replacement pool in the Communications Fund. \$42,229.20 will be paid out of the replacement pools from the individual enterprise funds. The replacement pools are restricted cash accounts that have been accumulated over a number of years for the purpose of computer replacement purchases.

**Executive Summary:**

See attached memo.

**Attachments:** *(please list)*

Memo  
Detailed cost spreadsheet  
Bid waive document.

**Recommendation / Suggested Action** *(briefly explain):*

Motion to recommend waiving formal bid process and to purchase computers in an amount not to exceed \$101,544.82.

*For office use only:*

*Agenda Item Number:* IB

# Information Systems

## Memo

Date: October 4, 2013  
To: City Council Members  
Mayor Ray Rogina  
Mark Koenen  
From: Peggy Forster  
Re: Recommendation to waive bid and purchase computer equipment

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On April 8, 2014 Microsoft will be eliminating security patching and support for the XP personal computer operating system. During the course of the next 6 months, we will be updating all computers in the City from XP to the Windows/7 operating system. We have been anticipating this change for some time. All computers ordered in the last several years were ordered with the newer operating system, but generally deployed with XP so as to maintain consistency for easier support. Computers ordered within the last year were deployed with Windows/7 and are ready as is.

Because many of our older computers are not robust enough to handle the Windows/7 operating system, we are replacing a total of 76 workstations and 21 laptops. Typically, we do not replace computers until they can no longer meet the needs of the user. Due to the necessity of upgrading for Windows/7, however, we are replacing this large number at one time. These computers are all eligible for replacement according to our replacement policy (a six-year cycle for workstations and a four-year cycle for laptops) and have been fully funded for replacement by the money budgeted by the departments over the last six years.

During the course of developing the project plan we used the opportunity to review computer usage throughout the City and have eliminated 7 workstations from a total of 199 as well as 4 laptops from a total of 132. Four additional laptops will be converted to less expensive PCs. This reduction in equipment will save the City more than \$40,000 in replacements now and every 4 to 6 years thereafter.

I am bringing this request directly to Council so that we can get started on this project as soon as possible. In order to conserve resources we have elected to do the project in house. Deploying almost 100 new computers and upgrading the operating system for an additional 183 will require a significant effort on the part of the technical staff. The six month estimate for completion of the project will give us only one week to spare before the April 8 deadline. Not upgrading is not a viable option since it would significantly increase our security risks.

I request that you approve the waiving of the bid process and the purchase of computers as outlined in this memo and the attached spreadsheet.

Purchase Analysis by Fund
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		WSCA	CDW-G	Insight	MNJ Tech	Total Using Lowest Overall Price
	No.	Pricing	Pricing	Pricing	Pricing	
Workstations	76	\$1,368.00	\$989.50	\$1,024.50	\$1,071.00	
General	46					\$45,517.00
Electric	20					\$19,790.00
Water	1					\$989.50
Wastewater	5					\$4,947.50
Inventory	2					\$1,979.00
Fleet	2					\$1,979.00
Laptops	21	\$1,354.00	\$1,254.42	\$1,142.47	\$1,182.11	
General	11					\$13,798.62
Electric	7					\$8,780.94
Water	1					\$1,254.42
Wastewater	2					\$2,508.84
						\$101,544.82
Summary						
General			(Budgeted)			\$59,315.62
Electric			(Financed from replacement pool)			\$28,570.94
Water			(Financed from replacement pool)			\$2,243.92
Wastewater			(Financed from replacement pool)			\$7,456.34
Inventory			(Financed from replacement pool)			\$1,979.00
Fleet			(Financed from replacement pool)			\$1,979.00
						\$101,544.82

**REQUEST FOR WAIVING BID PROCEDURE**

We request the City Council to waive the bid procedure and accept the quotation (requiring two-thirds City Council vote) submitted by:

To be determined

For the purchase of: 76 Workstations and 21 Laptops  
At a cost not to exceed: \$101,544.82

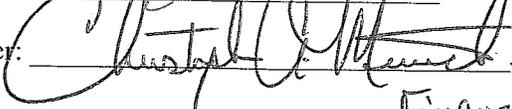
**Reason for the request to waive the bid procedure:** We need a 6-month window in order to meet the April 8, 2014 deadline for the upgrade so we need to get these on order as soon as possible. We are members of an organization called WSCA (Western States Contracting Alliance) which negotiates pricing each year with computer manufacturers. Member entities can purchase under the contract at the negotiated prices. Because these prices are negotiated for several states they are generally lower than purchasing off the State contract. **In this case, however, we have been able to secure quotes that are even less than the WSCA pricing.**

Other Quotations Received: (See attached spreadsheet)

Date: October 2, 2013

Requested by: 

Department Director: 

Purchasing Manager:   
Finance Director

**THIS REQUEST FORM MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING COMMITTEE APPROVAL FOR WAIVING OF THE BID PROCEDURE. REQUESTS FORWARDED DIRECTLY TO THE CITY COUNCIL (AND BYPASSING COMMITTEE) MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING CITY COUNCIL APPROVAL. SUCH REQUESTS ARE TO BE OF AN EMERGENCY NATURE WHERE TIME IS OF THE ESSENCE.**