



Legislation Text

File #: 11-0614, **Version:** 1

Recommendation to authorize City Manager to execute an agreement and all related documents with Solnovo, Inc., to provide personal computer (PC) replacement/installation services in an amount not to exceed \$195,000 for a period of one year, with the option to extend for two additional one-year periods, at the discretion of the City Manager. (Citywide)

The Technology Services Department (TSD), Customer Services Bureau is responsible for maintaining approximately 4,000 PCs. For the last six years, the City has maintained a four-year replacement cycle for its personal computer (both desktop and laptop) assets. In an effort to reduce PC-related expenditures, the City implemented four-year cycle as part of the City's Financial Strategic Plan.

Leading information technology industry experts, such as Gartner, Inc., have found that the average lifespan of a personal computer is 43 months and, therefore, recommend a four-year replacement cycle to achieve the lowest total cost of ownership. By refreshing personal computers every four years, the City workforce benefits from reduced PC downtime resulting from hardware failures and from faster, more robust machines.

In order to benefit from these new computers, the City must replace between 600 and 1,000 computers per year, depending upon actual deployment dates. For the last six years, TSD has used technical services from private sector firms to assist in the installation of these PCs to reduce costs, increase efficiency, and improve service delivery. This sourcing strategy is cost-effective and responsive to TSD's customer departments' needs and also addresses a recommendation from a third-party efficiency study to streamline information technology operations. Implementation of this strategy has allowed TSD personnel to focus on other high priority activities, such as providing more timely response to problems reported to the help desk by TSD customers.

A request for proposals (RFP) for PC replacement/installation services was issued. The RFP document was made available on the Purchasing Division's website at www.longbeach.gov/purchasing <<http://www.longbeach.gov/purchasing>>. Of the seven responses received from potential vendors, three indicated they are minority or women-owned, and one (1) was a Long Beach businesses. Based on the review of proposals received, Solnovo, Inc., of Westminster, CA, is recommended based on the installation pricing per unit (which is inclusive of all time spent on site, data migration, and additional software and hardware installation), requisite qualification, and experience providing service to the City of Long Beach.

Because the number of personal computers to be replaced will fluctuate every year, the agreement will be written not to exceed a peak of \$195,000 per year and will be less during years with fewer replacements. In fact, it is anticipated that, through the implementation of desktop virtualization, the number of physical computer replacements will slowly decrease over time, thus reducing the annual expenditures.

This matter was reviewed by Deputy City Attorney Gary Anderson on June 1, 2011 and by Budget Officer Victoria Bell on June 6, 2011.

City Council action on this matter is requested on June 21, 2011 to ensure that PC replacements/installations for the current year can proceed on schedule.

Historic expenditures for this service have run approximately \$190,000 per year, using multiple vendors to perform the service. A new contract with Solnovo, Inc., will consolidate the service to just one vendor, and annual expenditures will not exceed \$195,000 per contract year. The slight growth in service cost is the result, as noted above, of a peak year in the number of replacements to be performed, but will decrease in future years. Sufficient funding has been budgeted in the General Services Fund (IS 385) and in the Technology Services Department (TS) to support this activity. There is no additional job impact associated with this recommendation

Approve recommendation.

CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICES

APPROVED:

PATRICK H. WEST
CITY MANAGER