



Legislation Details (With Text)

File #: 15-092 **Version:** 1 **Name:** INSIGHT PUBLIC SECTOR AMENDMENT C-8820
Type: Consent **Status:** Passed
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On agenda: 4/14/2015 **Final action:** 4/14/2015
Title: AUTHORIZATION TO AMEND CONTRACT C-8820 WITH INSIGHT PUBLIC SECTOR, INC.
Staff Contact: Tom Duensing, Director, Finance and Technology

Sponsors:

Indexes:

Code sections:

Attachments: 1. Insight Contract Amendment_C-8820-1, 2. Insight Contract_C-8820, 3. State Contract_ADSPO12-024652_Insight Public Sector

Date	Ver.	Action By	Action	Result
4/14/2015	1	City Council	approved	Pass
3/24/2015	1	City Council	referred	
3/3/2015	1	City Council Workshop	tabled	
1/27/2015	1	City Council	approved	
1/27/2015	1	City Council	tabled	Pass

AUTHORIZATION TO AMEND CONTRACT C-8820 WITH INSIGHT PUBLIC SECTOR, INC.

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for City Council to approve Contract Amendment No. 1 (C-8820-1) with Insight Public Sector Inc., and to approve expenditure authority in the amount of \$203,000 for the remainder of FY 14-15, and \$340,000 per year for the remaining two years of the agreement for a total contract amount of \$883,000.

On 02/25/2014, Council approved the Linking Agreement with Insight (C-8820) and expenditure authority of \$137,000 for replacing City infrastructure. An additional \$203,000 is being requested (\$340,000 total for this FY) to purchase software, annual support and maintenance for infrastructure software and equipment, technical support, and hardware purchases. The approval of this amendment will extend the Insight agreement from 06/30/2015 to 07/01/2017.

Background

Maintaining City infrastructure is crucial to all City functions and services. Insight Public Sector, Inc. is a provider of technology software, hardware, software maintenance, support and technical services, and provides the City best pricing through Cooperative purchasing.

This fiscal year 93% of existing network equipment, with an original cost of \$790,000, is past due for

replacement. This is due to the reduced replacement fund budget from 2007 thru 2013. Network equipment represents the technology equivalent of a nervous system as it communicates all data and information throughout the City. Components in this category include firewalls, routers and network switches.

C-8820 is a contract that deals specifically with CISCO networking hardware and services. The City's network infrastructure is predominantly CISCO, therefore this contract is used to obtain networking products essential to support City operations.

Cooperative purchasing allows counties, municipalities, schools, colleges and universities in Arizona to use a contract that was competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City Code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. This cooperative purchase is compliant with Chapter 2, Article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

Analysis

Information Technology regularly compares pricing among vendors to ensure the City is getting the best possible value. Insight is a large volume supplier and provides a wide array of products and services at lower contract pricing as compared to other cooperative contract vendors. Based on their product breadth and pricing, the City will continue to purchase product and services from Insight, thus requiring the existing contract expenditure amount to be increased.

This Council agreement will maintain compliance with the City's policy of identifying expenditures which may exceed \$50,000 per year with a single vendor. Previously, multiple purchases were made to this vendor throughout the fiscal year which individually or collectively would have exceeded the \$50,000 threshold. If approved, the annual expenditure amount with Insight Public Sector for this contract will be consolidated under this council request and will not exceed \$340,000 per year. The expenditure authorization being requested is budgeted and paid from the Technology Fund and no additional funding is being requested.

Previous Related Council Action

On 02/25/2014, City Council approved the Linking Agreement (C-8820) with Insight Public Sector, Inc.

This item was tabled at the 01/27/2015 Voting meeting and moved to the 03/03/2015 Workshop.

This item was tabled at the 03/03/2015 Council Workshop meeting.

This item was tabled at the 03/24/2015 Voting Meeting and reviewed at the 04/07/2015 Workshop.

Community Benefit/Public Involvement

Purchasing from cooperative contracts provides both competitive and optimal pricing for equipment and services.

Budget and Financial Impacts

The additional \$203,000 of expenditure authority requested in this communication increases the total expenditure authority amount for FY14-15 to \$340,000. This amount is budgeted in the TF (Technology Fund).

The amount budgeted in the TF for future fiscal years will fluctuate based on organizational needs and replacement schedules, but will not exceed \$340,000 per year.

Cost	Fund-Department-Account
\$203,000.00	1140-11530-521000 - Technology Fund

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?