



**BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS**

☒ Award ☐ Contract ☐ Grant

Requested Board Meeting Date: 05/21/19

* = Mandatory, information must be provided

or Procurement Director Award ☐

***Contractor/Vendor Name/Grantor (DBA):**

Dell Marketing LP

***Project Title/Description:**

Dell Hardware, Software, Peripherals & Related Services

***Purpose:**

Amendment of Award: Master Agreement No. MA-PO-16-101, Amendment No. 04. This Amendment is for a one-time increase in the amount of \$5,400,000.00 (including sales tax) from \$6,254,000.00 to \$11,654,000.00 for hardware (servers, desktops and laptops) and support services. Effective 10/06/19, the annual award amount is increased by \$1,200,000.00 from \$3,000,000.00 to \$4,200,000.00 for hardware annual Lifecycle Management for FY20.

Administering Department: Information Technology

***Procurement Method:**

Pursuant to Pima County Procurement Code 11.24.010, Cooperative procurement authorized, on 10/06/15, the Board of Supervisors approved an award of contract for an initial term of one (1) year and an annual award amount of \$500,000.00 with four (4) one-year renewal options.

On 08/26/16, the Procurement Director approved the annual renewal option to extend the termination date to 10/05/17 and added a partial annual award amount of \$254,000.00 for a cumulative not-to-exceed contract amount of \$754,000.00. Annual award amount remained at \$500,000.00 with three (3) renewal options remaining.

On 11/28/17, the Procurement Director approved the annual renewal option to extend the termination date to 10/05/18 and added the annual award amount of \$500,000.00 for a cumulative not-to-exceed contract amount of \$1,254,000.00. Two (2) renewal options remained.

On 09/04/18, the Board of Supervisors approved the annual renewal option to extend the termination date to 10/05/19, increased the annual award amount from \$500,000.00 to \$3,000,000.00, and also included a one-time increase of \$2,000,000.00 for a cumulative not-to-exceed contract amount of \$6,254,000.00. One (1) renewal option remained.

PRCUID: 186419

Attachments: Department Memorandum & Master Agreement.

***Program Goals/Predicted Outcomes:**

Purchase of goods and services including desktops, laptops, tablets, servers, storage, printers and software.

***Public Benefit:**

Provide Pima County with reliable and cost effective IT products and related services to ensure employees can efficiently perform their duties.

***Metrics Available to Measure Performance:**

Continued use of Dell goods and services reduces downtime.

***Retroactive:**

No

To CoB: 5-14-19 (i) Addendum
ver. 12
pgs. 6

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount: \$* _____ ☐ Revenue Amount: \$ _____

***Funding Source(s) required:**

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No

***Is the Contract to a vendor or subrecipient?**

Were insurance or indemnity clauses modified? ☐ Yes ☐ No

If Yes, attach Risk's approval

Vendor is using a Social Security Number? ☐ Yes ☐ No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 16-101

Amendment No.: 04 AMS Version No.: 12

Effective Date: 05/21/19 New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

☒ Expense or ☐ Revenue ☒ Increase ☐ Decrease Amount This Amendment: \$ 6,600,000.00

Is there revenue included? ☐ Yes ☒ No If Yes \$ _____

***Funding Source(s) required:** Internal Service Fund

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Amendment Number: _____

☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required:**

*Match funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

*Match funding from other sources? ☐ Yes ☐ No If Yes \$ _____ % _____

***Funding Source:**

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?**

Contact: Eric Welch, Procurement Officer

Department: Procurement

Department Director Signature/Date:

Deputy County Administrator Signature/Date:

County Administrator Signature/Date:

(Required for Board Agenda/Addendum Items)



PIMA COUNTY

INFORMATION TECHNOLOGY

MEMORANDUM

Date: May 8, 2019

To: Mary Jo Furphy
Procurement Director

From: Dan Hunt
Chief Information Officer

Re: Recommendation to Select Dell and EMC Technology for Data Center Upgrade

During fiscal year 2018-19, the Pima County Information Technology Department (ITD) conducted an evaluation of server, storage, and archiving equipment to replace the existing Hewlett-Packard (HP) computing infrastructure, which is reaching the end of its useful life. The current HP equipment was acquired in calendar year 2014 with an anticipated useful life of five years. We have now reached this term, and the projections have proven accurate. Additionally, computer equipment of this age commands much higher maintenance fees, as the published data and our own experience shows that failures increase significantly after prolonged use. Due to these factors, County ITD has made the decision to replace the HP equipment by the end of calendar 2019. If we do not replace the equipment by the end of December 2019, our maintenance fees that have been \$800,000 per year will escalate to \$2 million for the upcoming year.

Based on the results of our evaluation, ITD desires to purchase equipment from Dell Technology and EMC, along with implementation services, related software, and maintenance for a five-year period. The purchase will include the equipment necessary to support County operations of all Central Administration departments, including email, enterprise systems such as the financial and procurement systems, departmental systems and file servers, to name just a few. Dell Professional Services are included to provide a full implementation of the new equipment and software, including migration of the existing software and data to the new environment, and training of ITD staff in the operations and maintenance of the new environment.

We provide this recommendation following a competitive proof-of-concept simulation, conducted with three enterprise-scale vendors, holding conditions equal to provide a fair opportunity for each. Based upon factors such as computing performance, likely vendor support via a single point of contact for the entire solution, commonality with other County entities such as Elected Officials and the ability to reduce the level of expertise required to operate the new environment, Dell/EMC was the clear winner. Of particular note was testing in which each of the different vendors performed real-world system processing of applications and processes currently utilized in the County ITD's production support of County operations. While all vendors exceeded the performance of the current HP production systems, the Dell/EMC solution is clearly superior to the other two tested solutions.

The proposed purchase will include the following equipment, maintenance, services, software and training to provide a complete solution for Pima County to replace the existing HP equipment in both data centers, at 150 W. Congress Street, and 3434 E. 22nd Street:

Mary Jo Furphy, Procurement Director

Re: Recommendation to Select Dell Technology and EMC as Technology Provider

May 8, 2019

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- Computer Server and Data Storage
- File storage and management system
- Implementation of backup and recovery system for data (utilizing existing licensing for Veeam)
- Migration of file server data
- Optic connectors to connect equipment to County network
- Training for ITD staff
- Professional services to plan, install, and migrate to the new environment, including setting the stage for near future hybrid on-premises/cloud-hosted server & storage operations
- 5 years maintenance on all equipment purchased under the current agreement

In addition to the Datacenter upgrade, the County has a contract annual award need of \$4,200,000 for its Hardware/Desktop Lifecycle Management program, and a need of \$3,300,000 for Datacenter and Sheriff Department Growth.

A summary of the current need is provided in the below table.

Dell MA 16*101	One-Time Increase	Annual Award
Hardware/Desktop Lifecycle Management	\$4,000,000	\$4,200,000
Datacenter Upgrade	\$1,400,000	
Dell Totals:	\$5,400,000	\$4,200,000
EMC MA 18*335	One-Time Increase	Annual Award
Datacenter Upgrade	\$16,000,000	
Datacenter Growth		\$3,000,000
Sheriff Department		\$300,000
EMC Totals:	\$16,000,000	\$3,300,000

DH/mk



MASTER AGREEMENT

PIMA COUNTY, ARIZONA

THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES
CONTRACT EXECUTION

Master Agreement No: 1600000000000000101

MA Version: 12

Page: 1 of 2

Description: Dell Hardware, Software, Peripherals, & Related Services

I S S U E R	Pima County Procurement Department	T E R M S	Initiation Date: 05-21-2019
	130 W. Congress St. 3rd Fl		Expiration Date: 10-05-2019
	Tucson AZ 85701		
	Issued By: ERIC WELCH		
	Phone: 5207249510		
	Email: eric.welch@pima.gov		
			<div>NTE Amount: \$11,654,000.00</div> <div>Used Amount: \$6,213,001.66</div>

V E N D O R	DELL MARKETING LP	Contact: Scott Sudhalter
	One Dell Way	Phone: 602-350-6222
	Round Rock TX 78682	Email: Scott_Sudhalter@dell.com
		Terms: 0.00 %
		Days: 30

Shipping Method:	Vendor Method
Delivery Type:	
FOB:	FOB Dest, Freight Prepaid
Modification Reason Amendment No. 04 is for a one-time increase in the amount of \$5,400,000.00 (including sales tax) from \$6,254,000.00 to \$11,654,000.00 for hardware (servers, desktops and laptops) and support services. Effective 10/06/19, the annual award amount is increased by \$1,200,000.00 from \$3,000,000.00 to \$4,200,000.00 for hardware annual Lifecycle Management for FY20.	

This Master Agreement incorporates the attached documents, and by reference all instructions, Standard Terms and Conditions, Special Terms and Conditions, and requirements that are included in or referenced by the solicitation documents used to establish this agreement. All transactions and conduct are required to conform to these documents.



PIMA COUNTY

MASTER AGREEMENT DETAILS

Master Agreement No: 16000000000000000101

MA Version: 12

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Line	Description					
5	FREE FORM LINE- Hardware					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %		\$0.00			
6	FREE FORM LINE- Software					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %		\$0.00			
7	FREE FORM LINE- Software Maintenance & Services					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %		\$0.00			
8	FREE FORM LINE- Hardware Maintenance & Services					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %		\$0.00			