



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Drew Corbett

SUBJECT: SEE BELOW

DATE: September 3, 2024

Approved

Date

9/10/24

COUNCIL DISTRICT: Citywide

SUBJECT: Actions Related to Citywide Purchase Orders for Computer Parts, Peripherals, Audio Visual Equipment, and PC Software

RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to:

- a) Negotiate and execute a purchase order with ComputerLand of Silicon Valley (a division of ISSQUARED, Inc.), 4Tech Solutions LLC, and Transource Services Corp. for computer parts, peripherals, audio visual equipment, and PC software for a combined maximum compensation of \$5,200,000 for the initial term beginning on or about September 1, 2024 and ending August 31, 2025, or as otherwise adjusted to align with the software subscription term;
- b) Negotiate and execute amendments as required for any unanticipated changes to the purchase orders with ComputerLand of Silicon Valley (a division of ISSQUARED, Inc.), 4Tech Solutions LLC, and Transource Services Corp. not to exceed a total amount of \$500,000, subject to the appropriation of funds; and
- c) Exercise up to six additional one-year options to extend the term through August 31, 2031, or as may be adjusted to align with the software subscription renewal term, subject to the appropriation of funds.

SUMMARY AND OUTCOME

Authorizing the City Manager or her designee to take these actions provides the City with a quick and efficient process to purchase pre-approved hardware and software.

BACKGROUND

City staff require a procurement channel readily available for the purchase of computer parts, peripherals, audio visual equipment, and PC software, such as Adobe, on an as needed basis. These hardware and software tools are essential to enable City staff to fulfill their daily job functions. By issuing Citywide purchase orders, City staff will have access to vendor product offerings through vendors' websites that reflect the City's discount. Executing purchase orders with multiple vendors allows staff to obtain multiple quotes prior to ordering to ensure the City receives the best price for the required item.

ANALYSIS

In June 2024, the Finance Department released a Request for Bid for computer parts, peripherals, audio visual equipment, and PC software through the City's e-procurement system, Biddingo. Over 6,000 vendors were notified of the bid opportunity by Biddingo through its daily bid notices and 17 companies viewed the Request for Bid. Three responses were received by the bid deadline, as shown below.

Bidder	Bid Total	Adjusted Bid Total after LBE/SBE¹ Preferences
ComputerLand of Silicon Valley, a division of ISSQUARED, Inc. (San José, CA)	\$5,185,800	\$5,056,155
4Tech Solutions LLC (McDonough, CA)	\$5,198,800	\$5,198,800
Transource Services Corp. (Phoenix, AZ)	\$5,249,750	\$5,249,750

In accordance with the San José Municipal Code, Section 4.12.320, 2.5 percent of the total evaluation points were reserved for the local and small business preferences, respectively. One vendor, ComputerLand of Silicon Valley (a division of ISSQUARED, Inc.), requested and received the local business preference for its office located within Santa Clara County.

The City's Request for Bid process includes a 10-day protest period that began when the City issued the Notice of Intended Award on July 24, 2024. No protests were received.

The award for this solicitation was based on lowest responsive and responsible base bid that meets all specifications. Staff recommends award to ComputerLand of Silicon Valley (a division of ISSQUARED, Inc.), 4Tech Solutions LLC, and Transource Services Corp. as the responsive and responsible bidders.

¹ LBE means local business enterprise and SBE means small business enterprise.

Purchase orders resulting from this City Council action will be monitored by the Information Technology and Finance Departments to ensure that spending stays within City Council-approved authorization. Adjustments may periodically be made to add funds to or move funds between purchase orders as required to meet staff demand.

EVALUATION AND FOLLOW-UP

This memorandum will not require any follow-up from staff.

COST SUMMARY/IMPLICATIONS

Purchases made through Citywide purchase orders will be funded by each individual department as required and based on their appropriations that are subject to the City's annual budgeting process. Pricing is set based upon a cost-plus percentage markup. The percentage markup will be the same for the initial term as well as the six option terms. Ordering will be managed by the Information Technology Department.

1. Amount of Recommendation (One-Year Term) \$5,200,000

2. Cost Elements

Cost Elements	Annual Estimated Not to Exceed
ComputerLand of Silicon Valley (a division of ISSQUARED, Inc.)	\$4,500,000
4 Tech Solutions	\$350,000
Transource Computers	\$350,000
One-Year Term Not to Exceed	\$5,200,000
Contingency	\$500,000
Total Not to Exceed This Recommendation	\$5,700,000

BUDGET REFERENCE

This request is for a Citywide open purchase orders against which departments can leverage as needed. Respective departments will provide their budget and funding information at the time they decide to leverage the purchase orders and will be responsible for initiating the payment of invoices for the products they receive.

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COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office, and Information Technology Department.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the September 24, 2024 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/
DREW CORBETT
Acting Director of Finance

For procurement- and contract-related questions, please contact Albie Udom, Deputy Director of Finance – Purchasing and Risk Management, at albie.udom@sanjoseca.gov. For program-related questions, please contact Ed Kim, Deputy Director, Deputy Chief Information Officer – Infrastructure and Client Services Division, at ed.kim@sanjoseca.gov.