



ADMINISTRATIVE COMMITTEE

Staff Report

File #: 19-417

Agenda Date: 8/1/2019

Agenda #: 3.

FROM: Joe Michael, Chief Information Officer

SUBJECT: Information Technology Equipment Purchase

RECOMMENDATION:

Recommend that the Board approve the purchase of a Cisco ASR 1001-HX router along with Licensing and Services and Maintenance from CDWG in the amount of \$79,083.35.

BACKGROUND:

In support of the Strategic Priorities, and included within the FY 2019-20 annual budget, staff has been working to implement internet services to support the future technology and infrastructures needs of SBCERA. To do so, we must procure various equipment and services. In most instances, the goods or services being procured are wholly independent of each other and are complimentary in nature, and are under \$25,000.

Per Board Administration Policy 011 (Policy for Procurement other than Investment Management Services), the Chief Executive Officer (CEO) has authority to approve procurement of goods and services under \$25,000 provided that there is adequate documentation denoting the rationale for the procurement including applicable quotes and methods. When the value of the goods and or services to be procured exceeds \$25,000 but does not exceed \$100,000 in any fiscal year, Board approval is required, but no formal procurement process is normally required.

The core router is a critical element to any organization's internet design, and as such the procurement of a brand and model that is reputed to have the highest levels of quality, uptime, and support are key to ensuring SBCERA staff, membership, and stakeholders are always able to access the data they need. Based on these needs, we are recommending the Cisco ASR 1001-HX router with 24x7x365x2 hour on-site support. Cisco is the worldwide leader in network equipment, and has been SBCERA's network brand of choice for almost 20 years. In that time, we have only ever had one piece of equipment fail, which was replaced in less than the normal 4 hour required timeframe.

Staff obtained quotes for the necessary equipment from five government resellers, and recommends that the purchase be made from CDWG in the sum of \$79,083.35. CDWG is one of the largest government resellers in the nation, and as such have some of the most favorable government contracts when providing pricing. They have been a trusted partner with SBCERA for 15 years, are the lowest of the five vendors we procured quotes/pricing from, and are able to provide a 2 hour onsite service level agreement from Cisco. Notably, the service and contracts quoted or priced by the other vendors were at a 4 hour response as they did not have corresponding 2 hour responses available.

Vendor	CDWG	Insight	TigerDirect	PCMall	PCNation
Equipment	\$ 54,748.50	\$ 72,318.40	\$ 72,649.99	\$ 72,649.99	\$ 61,317.20
Licensing	\$ 5,186.70	\$ 4,776.02	\$ 3,329.99	\$ 5,159.99	\$ 5,361.04
Service Contract	\$ 14,768.27	\$ 13,011.79	\$ 14,299.96	\$ 13,176.98	\$ 13,720.19
Tax	\$ 4,379.88	\$ 5,785.47	\$ 7,222.40	\$ 6,251.75	\$ 5,828.89
Shipping	\$ -	\$ 42.82	\$ 28.74	\$ 54.27	\$ -
Total	\$ 79,083.35	\$ 95,934.50	\$ 97,531.08	\$ 97,292.98	\$ 86,227.32

BUDGET IMPACT:

Costs for this item are included in the current year administrative budget.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Operational Excellence & Efficiency

STAFF CONTACT:

Joe Michael

ATTACHMENTS:

Exhibit A: CDWG Quote