



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Information Services

DATE: March 4, 2008
BOARD MEETING DATE: March 25, 2008
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Chris Flatmoe, CIO/Director Information Services
Peter Tocchini, Shared Services Manager

SUBJECT: County Purchases of Personal Computers, Servers, and Peripherals and Waiver of the Request for Proposals Process

RECOMMENDATION:

Adopt a Resolution:

1. Authorizing the County Purchasing Agent to purchase personal computers (PCs), servers, and peripherals from Dell, Hewlett Packard, and International Business Machines (IBM), for the term March 25, 2008 through March 24, 2011; and
2. Waiving the Request for Proposals (RFP) process.

VISION ALIGNMENT:

Commitment: Responsive, effective and collaborative government

Goal 20: Government decisions are based on careful consideration of future impact, rather than temporary relief or immediate gain.

Standardization of the County's PC environment contributes to this goal by reducing overall support costs. Only one IT Technician is needed to support every 250 PCs in the County because standardization minimizes troubleshooting time, parts inventory, technical training, and vendor coordination.

PERFORMANCE MEASURE:

Measure	FY2006-07 Actual	FY2007-08 Projected	FY2008-09 Projected
Technician to PC	1:250	1:250	1:250

BACKGROUND:

Your Board approved Resolution #066951, on September 28, 2004, authorizing sole source purchases of Dell, Hewlett Packard (HP) and Gateway brand computers for a three-year period. Information Services Department (ISD) is recommending another three year approval of this authorization to standardize PC, server, and peripheral purchases, adding IBM brand computers, and removing Gateway brand computers from the authorized list.

DISCUSSION:

These brand name vendors of computers, servers, and peripherals are what the Gartner Group describes as "Enterprise Tier" vendors. An Enterprise Tier vendor is one that has the following characteristics:

- Suitable for large volume purchases, enterprise deployments, and centralized procurement initiatives
- Offers State/Local government and major account programs, worldwide sales, service, and support capabilities
- Offers third party support, extensive quality assurance, and testing programs

Another important factor for consideration of computer hardware purchases is Total Cost of Ownership (TCO). Standardizing on fewer brands of personal computers and servers minimizes troubleshooting time, parts inventory, technical training, and vendor coordination. The County's best interest is served by the decision to select from these three name brands as industry research firms consistently rate them high in service reliability, on-site warranties, and telephone support. San Mateo County's experience with these brands confirms these reports, as they are reliable and provide good value to the County.

The recommendation to stop purchasing Gateway brand computers and to include the authorization to purchase IBM brand computers is based on the fact that Gateway brand computers continues to lose PC market share, resulting in declining customer service. By contrast, IBM brand computers are rapidly becoming an industry leader based on their innovative server technologies and very good customer support.

This decision will not limit any single department's purchasing requirements. Individual departments would have the option of purchasing from these companies, or any other vendor that meets their needs. This Resolution would allow departments choosing to purchase Dell, HP or IBM computers, servers, or peripherals to procure them without having to submit a sole source justification for each purchase, thereby streamlining the purchasing procedure. In addition, this Resolution does not remove the competitive process County Purchasing uses to ensure the County is purchasing PCs, servers, and peripheral devices at the best price. County Purchasing will still work from established State contracts and will call these three vendors, unless there are specific requirements to use only one vendor, to ensure the County receives the best price.

County Counsel has reviewed and approved the Resolution and Memo.

FISCAL IMPACT:

Purchases of computers, servers, and peripherals will come from departmental appropriations. There is no obligation on the part of the County to purchase any amount or type of equipment as a result of this action.