

Board of Trustees Agenda Item

Board Meeting Date: April 2, 2012

Title of Item: Authorization to Purchase Apple and Dell Computers

Background and Analysis:

The District expects to issue at least six large quantity purchase orders for Dell and Apple computer equipment between now and June 30, 2013 that will exceed the current statutory bid threshold of \$81,000.00 per purchase order. In accordance with the California Public Contract Code (PCC) Section 20651(a) through (d), only the governing board may authorize award of such purchase orders, and the board must award the orders to the lowest responsible bidder or reject all bids. However, in lieu of conducting a bid process, Public Contract Code (PCC) section 20652 provides that community college districts may utilize contracts that have been awarded by other public entities.

The required Apple and Dell products are available to the District on two Western States Contracting Alliance (WSCA) contracts. WSCA is a contracting consortium for state government departments, institutions, agencies and political subdivisions in the states of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming. The WSCA Master Price Agreement B27158 with Apple is currently valid through August 31, 2012, and it is subject to renewal through August 31, 2014. The WSCA Master Price Agreement B27160 with Dell is currently valid through August 31, 2012, and it is subject to renewal through August 31, 2014. Contracts and links to vendor pricing are posted at:

http://www.mmd.admin.state.mn.us/wsca/2009-2014_contracts.asp

The estimated quantities for purchase orders that will exceed \$81,000 each are as follows:

- Foothill Faculty and Staff: 200 standard Apple Desktops, 25 standard Apple Laptops, 25 Dell standard Laptops, and, 200 Dell standard desktops.
- De Anza Campus Labs: Advance Technology Center (ATC) Rooms 301 and 313: 30 Dell Desktops, non-standard, possible Dell precision. Science Center (SC) Room 3103: 44 Dell desktops, non- standard, possible Dell precision.
- De Anza Faculty and Staff: 100 Dell standard Desktops, 30 standard Dell Laptops, 30 Apple standard Laptops, and 50 Apple standard Desktops.

The total estimated cost for the computers listed above is \$1,300,000 including applicable sales tax.

Given that the District is standardized on Apple and Dell equipment, if it were to conduct a separate bid rather than using the WSCA contracts, the sole qualified bidders would be Apple and Dell. A bid based only upon the District's anticipated purchases would be unlikely to result in lower prices than those available through the WSCA contract. WSCA contract pricing is based upon the combined volume of several states and their political subdivisions. Each WSCA contract's "Products and Services Schedule" (PSS) shows the maximum price offered to participating entities and provides that each entity may negotiate large order discounts. Additionally, the District is entitled to each vendor's education discounts and will also benefit whenever the vendors announce promotional prices and/or general price reductions. Prior to issuing each purchase order, District Purchasing Services will contact the vendor to obtain a price quotation. The price quoted will be the lowest available to the District on that date for the specified products and quantities.

The computers will be purchased with Measure C Bond funds.

Recommendation: Authorize the Director of Purchasing Services to issue purchase orders in excess of the legally mandated bid threshold, currently \$81,000.00, through June 30, 2013 for Dell and Apple products pursuant to the WSCA Master Agreements B27158 with Apple and B27160.

Submitted by:	Carmen Redmond, Director, Purchasing Services and Material Services
Additional contact names:	Jose Rueda, Sharon Luciw, Fred Sherman
Is backup provided?	No