

## Agenda Report

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**SUBJECT:**

### **COOPERATIVE PROCUREMENT AGREEMENTS**

### **GENERAL MANAGER'S RECOMMENDATION**

#### RECOMMENDATION:

Authorize the purchasing of information technology products, services, and solutions utilizing Cooperative Procurement Agreements (CPA) from U.S. General Services Administration (GSA) IT Schedule 70, National Association of State Procurement Officials ValuePoint Cooperative Purchasing Organization, and OMNIA Partners, Public Sector (formerly U.S. Communities) for the period January 1, 2020 through December 31, 2020 for a total amount not to exceed \$2,000,000, in accordance with Ordinance No. OCSD-52, Section 2.03(B) Cooperative Purchases, with two (2) one-year renewal options.

### **BACKGROUND**

The Orange County Sanitation District (Sanitation District) desires to utilize the CPA as providers of technology products, services, and solutions. The CPA are needed to provide technology solutions based on competitive contract pricing, breadth of product offerings, availability, and the ease of using online ordering systems. Large capital items will be procured through the bidding process and all purchases continue to follow the existing approval and procurement processes in accordance with Purchasing Ordinance No. OCSD-52. These cooperatives provide deep discounts not normally available through the Sanitation District's bid process.

To properly maintain and provide solutions to the Sanitation District's facilities, the Information Technology (IT) division has a need to purchase technology products, services, and solutions. Such item requirements have been forecasted based upon projected obsolete equipment, historical product failure rates, and new items to address general capacity, redundancy, or security. Since technology changes frequently, it is not appropriate to stock these items in the Sanitation District's warehouses.

IT currently uses vendors providing technology items and recurring maintenance support and services using U.S. General Services Administration (GSA) IT Schedule 70, National Association of State Procurement Officials ValuePoint Cooperative Purchasing Organization, and OMNIA Partners, Public Sector. Purchases include:

- Networking and telephony equipment
- Servers and desktop computers
- Data storage and backup appliances
- Software licenses and maintenance agreements
- Consulting services
- Disaster recovery and cyber security solutions
- Printers, scanners, and monitors
- Computer peripherals
- Uninterruptible power supply components

Example OMNIA Partners, Public Sector contracts include:

- Insight Public Sector Contract: Technology Products, Services and Solutions - Contract Number: 4400006644, Lead Agency: County of Fairfax, Virginia
- Graybar Telecommunications Contract: Telecommunication Supplies - Contract Number: MA-IS-1540125, Lead Agency: County of Los Angeles, California
- DLT Solutions Contract: Oracle Products, Services and Solutions - Contract Number: 13120, Lead Agency: Maricopa County, AZ

Example U.S. General Services Administration (GSA) IT Schedule 70 contracts include:

- Nth Generation Contract - Computer Equipment, Peripherals & Related Services: Promark - Contract No. GS-35F-303DA, Lead State: Maryland
- PCMG Contract - Computer Equipment, Peripherals & Related Services - Contract No. GS-35F-681GA, Lead State: Virginia
- Cority Contract - Computer Equipment, Peripherals & Related Services - Contract No. GS-35F-0032U, Lead Country: Canada

Example NASPO ValuePoint contracts include:

- Hewlett Packard Enterprise: Computer Equipment, Peripherals & Related Services - Master Agreement No. MNNVP-134, Lead State: Minnesota
- HP, Inc.: Computer Equipment, Peripherals & Related Services - Master Agreement No. MNNVP-133, Lead State: Minnesota
- Nimble Storage, Inc.: Computer Equipment: Storage including Related Peripherals & Services - Master Agreement No. MNWNC-122, Lead State: Minnesota

## **RELEVANT STANDARDS**

- Ensure the public's money is wisely spent
- Participate in local, state, and national cooperative purchasing programs
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

## **PROBLEM**

The procurement process for information technology items and services for the Sanitation District involves many efforts and associated costs. IT and Purchasing work diligently to find ways to streamline the procurement process while minimizing cost concomitant of the procurement of technology items.

## **PROPOSED SOLUTION**

The Sanitation District's purchasing power is limited, therefore, utilizing other large agencies' cooperative agreement(s) who have completed a vetted procurement process is a viable and economical solution.

## **TIMING CONCERNS**

Maintenance and deployment of new systems and solutions is imperative for continued support of plant operations and maintenance initiatives without delay.

## **RAMIFICATIONS OF NOT TAKING ACTION**

Risk of being unable to maintain/deploy or delay IT projects supporting plant operations and maintenance. Increased cost related to the procurement of technology items.

## **PRIOR COMMITTEE/BOARD ACTIONS**

February 2017 - Board approval authorizing the purchase of information technology products, services, and solutions utilizing the U.S. Communities Government Purchasing Alliance and National Association of State Procurement Officials ValuePoint Cooperative Purchasing Organization (NASPO ValuePoint) for the period of March 1, 2017 through February 29, 2020, in accordance with Ordinance No. OCSD-47, Section 2.03(B) Cooperative Purchases.

May 2016 - Board approval authorizing the purchase of information technology hardware, software, services, and licensing & maintenance agreements using the U.S. General Services Agreement (GSA) IT Schedule 70 through the contract expiration date, December 31, 2019, in accordance with Ordinance No. OCSD-47, Section 2.03(B) Cooperative Purchases.

April 2016 - Board approval authorizing purchases of information technology products, services, and solutions using the County of Fairfax, Virginia contract number #440000664 through April 30, 2019.

October 2015 - Board approval of Cooperative procurement with Admin Minnesota Materials Management Division (WSCA/NASPO-HP).

November 2014 - Board approval of Cooperative procurement (WSCA/NASPO-Cisco).

## **ADDITIONAL INFORMATION**

The State of California Procurement Division (PD) is the central purchasing authority for all State departments and local government agencies. With a massive marketplace and billions of dollars in

purchasing power, they can offer a lower procurement cost to California's State, county, city, special district, education, and other government entities through their Leveraged Procurement Agreements (LPAs). LPAs allow entities/agencies to buy directly from suppliers through existing contracts and agreements. LPAs offered by the State to California governmental agencies include the OMNIA Partners, Public Sector and National Association of State Procurement Officials (NASPO) ValuePoint for technology products, equipment and technology services, and solutions. Upon utilization of each contract under these LPAs, Sanitation District staff verifies competitiveness of pricing based upon volume purchasing through these cooperatives.

OMNIA Partners, Public Sector is the nation's largest and most experienced cooperative purchasing organization for the public sector that reduces the cost of goods and services by aggregating the purchasing power of public agencies nationwide. All cooperative contracts available through OMNIA Partners are competitively solicited and publicly awarded by a lead agency using applicable procurement laws and regulations.

The NASPO ValuePoint Cooperative Purchasing Organization (formerly WSCA-NASPO) provides the highest standard of excellence in public cooperative contracting. The organization leverages the leadership and expertise of all states with the purchasing power of their public entities, NASPO ValuePoint delivers best value, reliable, competitively sourced contracts. Since 1993, NASPO ValuePoint has been the cooperative purchasing arm of NASPO, encouraging, fostering, and guiding the nation's most significant public contract cooperative. NASPO ValuePoint is a unified, nationally focused cooperative aggregating the demand of all 50 states, the District of Columbia, and the organized US territories, their political subdivisions, and other eligible entities spurring best value, innovation, and competition in the marketplace.

## **CEQA**

N/A

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted. (FY2018-19 and FY2019-20 Budget, Section 6, Page 36, Line item: Professional & Contractual Services and Repairs & Maintenance FY2018-19 and FY2019-20 Budget, Section 8, Page 48, Information Technology Capital Program (M-MC-IT)).

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

N/A