

CITY OF MIAMI BEACH

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PROCUREMENT DIVISION

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January 26, 1998

CompUSA
900 Park Centre Blvd.
Suite 400
Miami, FL 33169

Gentlemen:

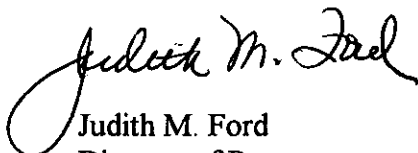
City of Miami Beach has made partial award of the following Bid as stated below:

**BID NO. 16-97/00 ONE-YEAR CONTRACT FOR PROVIDING COMPUTER
MAINTENANCE SERVICE FOR HARDWARE & SOFTWARE
WITH 2-YR. OPTIONS**

AWARDED TO: Decision One
2985 Gateway Drive
Suite 300
Norcross, GA 30071

If there are any questions or additional information desired, please contact this office.

Sincerely,


Judith M. Ford
Director of Procurement

JMF/jya



COMMISSION MEMORANDUM NO. 1-98

TO: Mayor Neisen O. Kasdin and
Members of the City Commission

DATE: January 7, 1998

FROM: Sergio Rodriguez
City Manager

SUBJECT: Request for Approval to Award a Purchase Order Pursuant to Bid Number 16-97/98 to DecisionOne Corporation in the amount of \$52,956 for Hewlett Packard (HP) Hardware Maintenance (four-hour response) and \$18,000 for HP System Software Support (eight-hour response).

ADMINISTRATION RECOMMENDATION

To authorize the award.

FUNDING

Funding is available from the Information Technology Internal Services Fund.

BACKGROUND

The City of Miami Beach owns four mid-range Hewlett Packard (HP) computers. Two of these were purchased in the 1980s; the other two date from the early 1990s. The City plans to phase out these computers as newer software applications, which require updated hardware, are purchased.

HP has provided hardware and software maintenance for these four computers. Last year's contract provided for four-hour response time at a cost of \$72,480 for hardware and \$34,212 for software. Four-hour hardware response has been critical, since the City's Computer Aided Dispatch System (911) runs on two of these computers. The other two HP computers run the City's General Ledger, Payroll System, and other City-wide systems.

HP notified the City that they no longer will support the two computers housing the City's Computer Aided Dispatch System (911) and the Police Records System after December 31, 1997. It is critical to continue maintenance service for these HP computers until new Dispatch/911 equipment is purchased. Therefore, the City issued a bid for hardware and system-software maintenance service for the HP mid-range computers and peripherals.

AGENDA ITEM C2A
DATE 1-7-98

Invitation for Bid 16-97/98 was issued on December 4, 1997, with an opening date of December 23, 1997. Eighty-two notices and twenty-five specifications were mailed. The City received seven responses. However, most were for PC maintenance. Only two companies offered HP mid-range computer hardware maintenance; only one company offered both HP hardware and system-software maintenance.

ANALYSIS:

DecisionOne Corporation supplied bids for both HP hardware and system-software maintenance. The Sherlock Support Group only bid on HP hardware maintenance; the Sherlock bid does not offer four-hour response time. The following chart compares the bid offerings:

	DecisionOne	Sherlock
4-hr. hardware repair (\$ per year)	\$52,956	Not Available
8-hr. hardware repair (\$ per year)	\$46,596	\$35,100
4-hr. system-software support (\$ per year)	\$22,000 *See Note	Not Available
8-hr. system-software support (\$ per year)	\$18,000 * See Note	Not Available
Nearest Office(s)	Miami, Ft. Lauderdale	Currently Cocoa, FL; Pompano Beach office to open in Jan., 1998
Number of technicians	4,000+	13
1997 revenue from hardware & software maintenance	\$786 Million	\$1.1 Million

** Please Note: DecisionOne's HP system-software maintenance is not sold separately. It must be purchased in conjunction with hardware maintenance.*

The lower hardware bid from Sherlock does not meet the entire bid specifications for the following reasons:

- vendors were asked to provide pricing for four-hour response (in addition to eight-hour), and
- Sherlock does not currently have a local office.

In addition, DecisionOne is the only bidder to provide both hardware and software support.

Currently, HP provides annual maintenance at a cost of \$72,480 for hardware and \$34,212 for software. The combined total is \$106,692 per year. DecisionOne will provide annual hardware maintenance (four-hour response) at a cost of \$52,956 and system-software support (eight-hour response) at a cost of \$18,000. The total of \$70,956 provides a savings of \$35,736 per year over the present contract with HP.

CONCLUSION

The City Commission should award a Purchase Order to the only bidder meeting all specifications, DecisionOne Corporation. The Purchase Order should specify four-hour response for hardware failures and eight-hour response for system-software problems.

WDB PK
SR:MDB:PK