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DEPARTMENT OF
GENERAL SERVICES

CITY OF SACRAMENTO
CALIFORNIA

5730 - 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

OFFICE OF THE DIRECTOR

May 18, 1989
PS:Admin:FM:DK:bb

916-449-5548

DIVISIONS:

City Council
Sacramento, California

APPROVED
BY THE CITY COUNCIL

COMMUNICATIONS
FACILITY MANAGEMENT
FLEET MANAGEMENT
PROCUREMENT SERVICES

Honorable Members In Session:

MAY 30 1989

SUBJECT: IBM DISK DRIVES

OFFICE OF THE
CITY CLERK

CO 88055

SUMMARY

In order to continue to provide sufficient data storage resulting in a stable production environment and acceptable service levels, the Department of Data Management is requesting purchase of two used IBM Disk Drives.

BACKGROUND INFORMATION

Disk space utilization has increased substantially over the last six months. The implementation of requested enhancements to converted on-line applications as well as growth of existing on-line applications has significantly increased the demand for disk space.

Additionally, the IBM mainframe software products are as much as 18 months old and need to be upgraded. Some products are in jeopardy of being dropped from support by the vendor. In order to provide the space necessary for intensive testing of the new software releases, one dedicated disk drive is required. This drive would also be utilized, in the event of a failure of one of the other drives, to achieve short term disaster recovery.

An analysis of disk volume allocation/utilization shows usage to be above the recommended 80% maximum. The result of higher disk utilization is disruption of production processing from lack of space for work files and newly created records. This sometimes causes file restoration and reruns, thus increasing the chance for errors and loss of data.

Data Management has gone through the informal competitive bid process with General Services (see attached Bid Summary Sheet for Bid I001445). Based on phone surveys of several vendors prior to release of the bid, it was expected that bids would come in under \$25,000.00.

However, because of a tightening supply of disk drives in the used IBM market, the low bid came in at \$27,864.00. According to industry journals, the price on used disk drives will continue to increase until IBM announces their new line of disk drives.

FINANCIAL DATA

Funding in the amount of \$27,864.00 is to be provided from the 1986 Certificate of Participation, Fund 702, Agency 500, Organization AA04, Object Code 4630, available funds \$27,864.00.

POLICY MATTERS

N/A

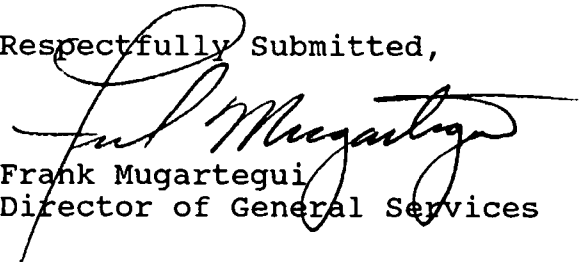
MBE/WBE

One "no bid".

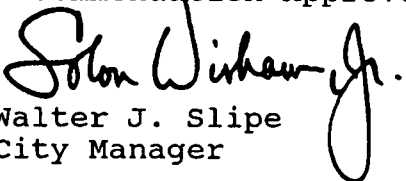
RECOMMENDATION

It is therefore recommended that the City Council, pursuant to Section 57.401(c) of the Sacramento City Code, accept the results of the informal bid, suspend additional formal competitive bidding and authorize the City Manager to enter into a contract with Newport Leasing Inc., for the disk drives in the amount of \$27,864.00.

Respectfully Submitted,


Frank Mugartegui
Director of General Services

Recommendation Approved


for: Walter J. Slipe
City Manager

May 30, 1989
All Districts

BID SUMMARY SHEET FOR BID I001445
IBM DISK DRIVES

<u>Bidder</u>	<u>Amount of Bid</u>
Newport Leasing Inc.	\$27,864.00 =====
Information Processing Systems	\$29,755.00
El Camino Resources	\$27,907.26
Pacific Corp.	\$29,415.30
Phoenix Leasing	\$29,607.00
Cameo Computer	\$30,009.57

Total Award of Contract To: Newport Leasing
2 Faraday
Irvine, CA 92718

Total Amount of Contract: \$27,864.00

Original Estimated Cost: \$25,000.00

User: Data Management

Due Date: April 28, 1989

Total No. of Bids Solicited	No. of M/WBE Bids Solicited	No. of M/WBE Responses	Award to M/WBE Vendor?
24	1	0	No

RESOLUTION No. 89-413

Adopted by The Sacramento City Council on date of

May 30, 1989

APPROVED
BY THE CITY COUNCIL
MAY 30 1989
OFFICE OF THE
CITY CLERK

RESOLUTION ACCEPTING RESULTS OF INFORMAL BID,
SUSPENDING FORMAL COMPETITIVE BIDDING FOR PURCHASE
OF IBM DISK DRIVES AND AUTHORIZING THE CITY MANAGER
TO EXECUTE THE NECESSARY CONTRACT WITH NEWPORT LEASING
INC.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO, TWO-THIRDS
(2/3) OF ALL MEMBERS VOTING IN FAVOR THEREOF:

That pursuant to Section 57.401(c) of the Sacramento City Code,
it has been determined that, in the best interests of the City, the
City Council accept the results of the informal bid, suspend formal
competitive bidding for the purchase of Two (2) IBM Disk Drives and
authorize the City Manager to execute the necessary contract with
Newport Leasing Inc., 2 Faraday, Irvine, CA 92718, in an amount not
to exceed \$27,864.00.

MAYOR

ATTEST:

CITY CLERK