



**TO:** Board of Contracts and Awards  
**FROM:** Jack Kelanic, Director of Information Technology *JK*  
Linda D. Trehuba, IT Supervisor, Information Technology Department  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and  
Chuck Blankenship, Finance/Purchasing  
**SUBJECT:** Hardware and software maintenance for the Cisco corporate data network through  
August 10, 2017 - Requested City Council Date of July 26, 2016  
**DATE:** July 5, 2016

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**SUMMARY:**

The Information Technology Department recommends approval for a contract to be awarded to Cerium Networks, Spokane, WA, in the amount of \$253,024.12, plus applicable sales tax, for one-year of Cisco SMARTnet maintenance for Cisco networking equipment from August 11, 2016 through August 10, 2017.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This contract assures ITD provides hardware and software maintenance on the City of Tacoma’s corporate network to ensure critical City business applications and communications with the citizens of Tacoma are commercially supported.

**BACKGROUND:**

**ISSUE:** The Information Technology Department utilizes Cisco SMARTnet services to provide hardware maintenance and software updates for all of the City network equipment. The SMARTnet maintenance services provided by this contract are routine in nature and ensure that the network hardware and software continues to be commercially supported. Maintenance includes coverage for Cisco hardware products and operating system software, and next business day advanced hardware replacement. In addition, this contract provides for online and over-the-phone access to the Cisco Technical Assistance Center (TAC) 24x7x365 for all equipment and software covered, and access to online technical resources.

**ALTERNATIVES:** Forgoing maintenance coverage on the corporate network equipment would pose considerable risk to business operations and therefore is not recommended.

**COMPETITIVE SOLICITATION:** State of Washington contract 01114, Data Communications Products and Services 14-19, was established June 1, 2014 with termination on May 31, 2019. Cerium Networks is an authorized reseller under the State of Washington contract. Using the State of Washington contract, the City receives a 10% discount. Cerium Networks also provides the City with an additional 8% discount, for a total of 18% discount compared to list price.

**CONTRACT HISTORY:** New contract.

**SUSTAINABILITY:** To become a more sustainable organization, Cerium Networks is committed to complying and keeping up-to-date with environmental legislation, preventing pollution, and continually working to reduce environmental impacts. To improve their structure’s energy efficiency and



indoor/outdoor environmental quality, Cerium installed high-efficiency HVAC units, low-energy and/or double-paned windows, energy efficient outside doors, a natural gas generator to assure power stability, landscape and sprinkler systems to conserve water consumption, insulating materials in floors and ceilings, outdoor LED lighting based on recommendations by the local electric utility, and removal of asbestos containing materials to meet and exceed code standards. Within operational spaces and project worksites, Cerium ensures recycle bins are located in all offices for internal waste, and staff re-use and recycle shipping materials including wrap, fill and pallets, and project material waste including plastics, metals and electronics. Cerium also participates in community “Bike to Work” and “Walk-Run to Work” events, encourages employees to use public transportation by having offices located on public bus routes, and supports virtual office environments by allowing “work from home” employment structures.

SBE/LEAP COMPLIANCE: Not applicable.

**RECOMMENDATION:**

The Information Technology Department recommends approval for a contract to be awarded to Cerium Networks, Spokane, WA, for \$253,024.12 plus applicable sales tax, for one-year of Cisco SMARTnet maintenance for Cisco networking equipment from August 11, 2016 through August 10, 2017.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Information Systems Fund 5800	596000	5320100	\$253,024.12
<b>TOTAL</b>			\$253,024.12

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Information Systems Fund 5800	596000	5950289	\$253,024.12
<b>TOTAL</b>			\$253,024.12

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** There is no fiscal impact to the current biennial budget. Current biennial need of \$253,024.12, plus applicable sales tax, is available and appropriated within Fund 5800. The revenues are planned and budgeted within the above cost centers and elements.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** The current biennial need of \$253,024.12, plus applicable sales tax, is available and appropriated within Fund 5800.