

South Portland City Council
Position Paper of the City Manager

Subject:

ORDER #17-17/18 – Award of sole source bid to Apple Computers, of Cupertino, CA, for the purchase of iPads and Macbook Air laptops for the School Department. Passage requires majority vote.

Position:

As part of the School's FY2017-18 CIP technology budget, the School Department would like to purchase 940 iPads to be used to refresh the high school's one-to-one learning initiative. The current four-year contract has expired. With significant improvements to how iPads function in an educational environment, they can help improve uneasiness about managing the devices and reduce student distraction. Also, the upgraded iPads include a feature to "push content" to all student devices and ascertain if students are on task.

In addition, the School Department would like to purchase 85 MacBook Air laptops for high school staff.

The total cost is \$464,148 and will be purchased from Apple Computers, of Cupertino, CA. Apple Computers has a sole source agreement that prohibits other vendors from selling new Apple hardware to schools. This purchase will be financed through a 0% four-year lease provided by Apple Financial Services as part of a State of Maine Department of Education program. The School Department will make annual payments of \$116,037 starting in FY18 and ending in FY21.

Although ordinance allows the City Manager to approve sole-source purchases, due to the amount surpassing the \$40,000 threshold, Council approval is required.

Attached is a memorandum from Andrew Wallace on this item. He will be at Monday's meeting to answer any questions.

Requested Action:

Council passage of ORDER #17-17/18.



City Manager

To: Scott Morelli, City Manager
From: Andrew Wallace, School Department Director of Technology
Re: Sole Source Purchase of 940 iPads and 85 MacBook Air Laptops
Date: July 10, 2017

The South Portland School Department is proposing purchasing nine hundred and forty iPads to refresh our high school one-to-one learning initiative. In 2011 we set out to explore the feasibility of an iPad as a one-to-one device at the sixth grade level. We started at Mahoney and then brought Memorial on board. Ultimately we deployed iPads to the high school students as well. Staff and students have found the device to be an effective, mobile, learning tool. As our current four year contract has expired at the high school, we have hope to renew with the latest iPad offering to provide a device to all students.

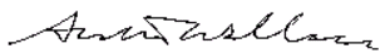
There are significant recent improvements to how iPads function in an educational environment. This year, Apple released a management tool called Classroom which can help alleviate some understandable concerns about managing devices and reducing distractibility. Features include the ability for teachers to “push content” to all student devices and to determine if students are on task by looking at a real time list of active apps. We also have moved to limit the apps that students can add, in order to focus on the best educational uses of these devices.

We especially value iPads due to their easy on and easy off design. Students and teachers can use technology without it being an “event.” Further, the ability for all teachers and students from grades 6-12 to use the same devices streamlines support and professional development. In response to student and teacher requests we have chosen a case that includes an integrated keyboard.

The Department of Education is reimbursing schools up to \$600 per device for qualified high school staff. We expect to receive this funding to offset the cost of eighty-five MacBook Air laptops.

I will be at the City Council meeting on July 17th to answer any questions or address any concerns. We request that you approve these Sole Source purchases from Apple Inc. of Cupertino California. This purchase will be financed via a 0% four year lease provided by Apple Financial Services.

Respectfully Submitted,



Andrew Wallace, Director of Technology

The cost for 9.7” 5th generation iPads, cases and management software is \$411.95 per unit
The cost for 13” Macbook Airs is \$799 per unit
Total cost \$464,148.00

Account number: 0100-75-0000-2250-900-950-765000

Apple Inc. Education Price Quote

Customer:	Andrew Wallace SOUTH PORTLAND SCHOOL DEPT Phone: 2078710555 email: atw@spsd.org	Apple Inc:	Tara Maker 1 Infinite Loop MS: 111-HOM Cupertino, CA 95014 Phone: 207-3181070 Fax: 800-5900325 email: maker.t@apple.com
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Apple Quote: 2204109031
Quote Date: 5-Jul-2017
Quote Valid Until: 21-Jul-2017

Quote Comments:
Please reference Apple Quote number on your Purchase Order.

Row #	Details & Comments	Qty	Unit List Price	Extended List Price
1	iPad Wi-Fi 32GB – Space Gray (10-pack) iPad Wi-Fi 32GB – Space Gray (10-pack) Part Number: MP2R2LL/A Quantity: 940 Part Number BMGQ2LL/A	94	2,940.00	276,360.00
2	Casper Suite 9.x for iOS Cloud Hosted (Education) with 3 Year Subscription 10K+ (price per seat) Part Number HKDB2LL/A	1440	18.00	25,920.00
3	Logitech Rugged Combo for iPad (5th gen) – Blue (single unit) Part Number HL722VC/A	940	99.95	93,953.00
Edu List Price Total				396,233.00
– eWaste Fee / Recycling Fee				0.00
–				
–				
Extended Total Price*				396,233.00
*In most cases Extended discounted Total price does not include Sales Tax *If applicable, eWaste/Recycling Fees are included. Standard shipping is complimentary				

Complete your order by one of the following:

- This document has been created for you as Apple Quote ID 2204109031. Please contact your institution's Authorized Purchaser to submit the above quote online at <https://ecommerce.apple.com>. Simply go to the Quote area of your Apple Education Online Store, click on it and convert to an order.
 - If you are the Authorized Purchaser and need to register for access to the Apple Education Online Store, go to <http://myaccess.apple.com>. For registration assistance, call 1.800.800.2775, option 5, option 1.

- If you are unable to submit your order online, please send a copy of this Quote with your Purchase Order via email to institutionorders@apple.com. **Be sure to reference the Apple Quote number on the PO to ensure expedited processing of your order.**
 - For more information, go to provision C below, for details.

THIS IS A QUOTE FOR THE SALE OF PRODUCTS OR SERVICES. YOUR USE OF THIS QUOTE IS SUBJECT TO THE FOLLOWING PROVISIONS WHICH CAN CHANGE ON SUBSEQUENT QUOTES:

- A. ANY ORDER THAT YOU PLACE IN RESPONSE TO THIS QUOTE WILL BE GOVERNED BY (1) ANY CONTRACT IN EFFECT BETWEEN APPLE INC. ("APPLE") AND YOU AT THE TIME YOU PLACE THE ORDER OR (2), IF YOU DO NOT HAVE A CONTRACT IN EFFECT WITH APPLE, CONTACT contracts@apple.com.
- B. ALL SALES ARE FINAL. PLEASE REVIEW RETURN POLICY BELOW IF YOU HAVE ANY QUESTIONS. IF YOU USE YOUR INSTITUTION'S PURCHASE ORDER FORM TO PLACE AN ORDER IN RESPONSE TO THIS QUOTE, APPLE REJECTS ANY TERMS SET OUT ON THE PURCHASE ORDER THAT ARE INCONSISTENT WITH OR IN ADDITION TO THE TERMS OF YOUR AGREEMENT WITH APPLE.
- C. YOUR ORDER MUST REFER SPECIFICALLY TO THIS QUOTE AND IS SUBJECT TO APPLE'S ACCEPTANCE. ALL FORMAL PURCHASE ORDERS SUBMITTED BY EMAIL MUST SHOW THE INFORMATION BELOW:
 - APPLE INC. AS THE VENDOR
 - BILL-TO NAME AND ADDRESS FOR YOUR APPLE ACCOUNT
 - PHYSICAL SHIP-TO NAME AND ADDRESS (NO PO BOXES)
 - PURCHASE ORDER NUMBER
 - VALID SIGNATURE OF AN AUTHORIZED PURCHASER
 - APPLE PART NUMBER AND/OR DESCRIPTION OF PRODUCT AND QUANTITY
 - TOTAL DOLLAR AMOUNT AUTHORIZED OR UNIT PRICE AND EXTENDED PRICE ON ALL LINE ITEMS
 - CONTACT INFORMATION: NAME, PHONE NUMBER AND EMAIL
- D. UNLESS THIS QUOTE SPECIFIES OTHERWISE, IT REMAINS IN EFFECT UNTIL **21-Jul-2017** UNLESS APPLE WITHDRAWS IT BEFORE YOU PLACE AN ORDER, BY SENDING NOTICE OF ITS INTENTION TO WITHDRAW THE QUOTE TO YOUR ADDRESS SET OUT IN THE QUOTE.
 - APPLE MAY MODIFY OR CANCEL ANY PROVISION OF THIS QUOTE, OR CANCEL ANY ORDER YOU PLACE PURSUANT TO THIS QUOTE, IF IT CONTAINS A TYPOGRAPHIC OR OTHER ERROR.
- E. THE AMOUNT OF THE VOLUME PURCHASE PROGRAM (VPP) CREDIT SHOWN ON THIS QUOTE WILL ALWAYS BE AT UNIT LIST PRICE VALUE DURING REDEMPTION ON THE VPP STORE.
- F. UNLESS SPECIFIED ABOVE, APPLE'S STANDARD SHIPPING IS INCLUDED IN THE TOTAL PRICE.

Opportunity ID: 253582143
<https://ecommerce.apple.com>
Fax:800-5900325

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Apple Inc. Education Price Quote

Customer:	Andrew Wallace SOUTH PORTLAND SCHOOL DEPT Phone: 2078710555 email: atw@spsd.org	Apple Inc:	Tara Maker 1 Infinite Loop MS: 111-HOM Cupertino, CA 95014 Phone: 207-3181070 Fax: 800-5900325 email: maker.t@apple.com
Apple Quote:	2204138166		
Quote Date:	5-Jul-2017		
Quote Valid Until:	4-Aug-2017		

Quote Comments:

Please reference Apple Quote number on your Purchase Order.

Row #	Details & Comments	Qty	Unit List Price	Extended List Price
1	MacBook Air 5-pack (13-inch/1.8GHz i5/8GB/128GB SSD storage/Intel HD Graphics 6000)	16	4,145.00	63,920.00
	MacBook Air 5-pack (13-inch/1.8GHz i5/8GB/128GB SSD storage/Intel HD Graphics 6000) Part Number: MQD62LL/A Quantity: 80 Part Number BMT12LL/A			
			Edu List Price Total	66,320.00
			- eWaste Fee / Recycling Fee	0.00
			-	
			-	
			Extended Total Price*	63,920.00
			*In most cases Extended discounted Total price does not include Sales Tax	
			*If applicable, eWaste/Recycling Fees are included. Standard shipping is complimentary	

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 - If you are the Authorized Purchaser and need to register for access to the Apple Education Online Store, go to <http://myaccess.apple.com>. For registration assistance, call 1.800.800.2775, option 5, option 1.
- If you are unable to submit your order online, please send a copy of this Quote with your Purchase Order via email to institutionorders@apple.com. **Be sure to reference the Apple Quote number on the PO to ensure expedited processing of your order.**
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 - o APPLE PART NUMBER AND/OR DESCRIPTION OF PRODUCT AND QUANTITY
 - o TOTAL DOLLAR AMOUNT AUTHORIZED OR UNIT PRICE AND EXTENDED PRICE ON ALL LINE ITEMS
 - o CONTACT INFORMATION: NAME, PHONE NUMBER AND EMAIL
- D. UNLESS THIS QUOTE SPECIFIES OTHERWISE, IT REMAINS IN EFFECT UNTIL **4-Aug-2017** UNLESS APPLE WITHDRAWS IT BEFORE YOU PLACE AN ORDER, BY SENDING NOTICE OF ITS INTENTION TO WITHDRAW THE QUOTE TO YOUR ADDRESS SET OUT IN THE QUOTE.
- o APPLE MAY MODIFY OR CANCEL ANY PROVISION OF THIS QUOTE, OR CANCEL ANY ORDER YOU PLACE PURSUANT TO THIS QUOTE, IF IT CONTAINS A TYPOGRAPHIC OR OTHER ERROR.
- E. THE AMOUNT OF THE VOLUME PURCHASE PROGRAM (VPP) CREDIT SHOWN ON THIS QUOTE WILL ALWAYS BE AT UNIT LIST PRICE VALUE DURING REDEMPTION ON THE VPP STORE.
- F. UNLESS SPECIFIED ABOVE, APPLE'S STANDARD SHIPPING IS INCLUDED IN THE TOTAL PRICE.

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Document rev 10.6.1

Date of last revision – May 12th, 2017



APPLE CONFIDENTIAL

July 10, 2017

RE: Apple Sole Source Letter

South Portland School Department
Andrew Wallace, Director of Technology
130 Wescott Road
South Portland, ME 04106

Dear Andrew:

The purpose of this Apple Sole Source Letter is to inform you and your organization that Apple Inc. ("Apple") is the sole source provider of Apple Products for private and public K-12 education institutions in the United States with a few limited exceptions.

"Apple Products" refers to Services, CTO Products, hardware and software products manufactured, distributed, or licensed under an Apple-owned or licensed brand name that an Apple customer has paid to acquire or has properly licensed from Apple for its own use, but excluding any third-party software and all other third party products. "Services" means collectively, the standard, price-listed services, support, and/or training products sold under the Apple brand name. "Configure-To-Order Products" or "CTO Products" means Products that Apple modifies from its standard configurations and that are available to an Apple customer only by special order.

The only source of Apple Products for private or public K-12 education institutions is Apple with a few limited exceptions. Only a handful of strategic resellers, such as AT&T, Sprint, T-Mobile, and Verizon, are authorized to sell Apple Products to private and public K-12 education institutions in the United States.

Apple will continue to have a direct sales and purchasing relationship with K-12 education institutions and, aside from a very small number of exceptions, will continue to be the sole source for all of the Apple Products sold to K-12 education institutions.

Apple may change or update this letter in its sole discretion.

Sincerely,

A handwritten signature in blue ink that reads "Vanessa Boenig".

Vanessa Boenig
Apple Inc.
U.S. Bids and Sales Contracts Management



CITY OF SOUTH PORTLAND

PATRICIA A. SMITH
Mayor

SCOTT T. MORELLI
City Manager

EMILY F. SCULLY
City Clerk

SALLY J. DAGGETT
Jensen Baird Gardner & Henry

**IN CITY COUNCIL
ORDER #17-17/18**

District One
CLAUDE V. Z. MORGAN

District Two
PATRICIA A. SMITH

District Three
EBEN C. ROSE

District Four
LINDA C. COHEN

District Five
BRAD FOX

At Large
MAXINE R. BEECHER

At Large
SUSAN J. HENDERSON

ORDERED, that award of sole source bid be and hereby is made to Apple Computers, of Cupertino, CA, in the amount of four hundred sixty-four thousand, one hundred and forty-eight dollars (\$464,148) for the purchase of iPads, MacBooks, cases and software/applications for the School Department.

BE IT FURTHER ORDERED, that the acquisitions authorized by the foregoing order may be made by way of a Municipal Lease Purchase Agreement, provided said agreement contains a non-appropriation provision permitting the City to terminate the lease without penalty in the event the City does not appropriate funds for payments on the lease; and

BE IT FURTHER ORDERED, that the Director of Finance be authorized to execute and deliver on behalf of the City such Municipal Lease Purchase Agreement containing such terms, not inconsistent herewith, as the Director of Finance may approve by his execution thereof.

Said annual lease payments shall be charged to the Technology Department, Instructional Hardware Account #0100-75-0000-2230-380-930-00-00-765000.

Fiscal Note: \$464,148

Date: July 17, 2017