

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



141

FROM: Information Technology / Purchasing & Fleet Services

SUBMITTAL DATE:
August 19, 2003

SUBJECT: Proposed purchase of a multi-year equipment maintenance / repair services agreement without seeking competitive bids.


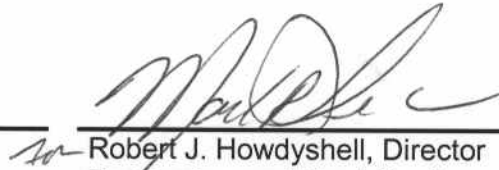
RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached amendment for maintenance/repair services from Hewlett Packard for a period of three (3) years and authorize the Chairman of the Board to execute same on behalf of the County; and,
2. Receive and file notice of the purchase for personal services to provide maintenance/repair services without securing competitive bids in accordance with Ordinance 459.4 in the amount of \$ 997,171.56 from Hewlett Packard, pursuant to the Purchasing Agent awarding the contract on the behalf of the County.

BACKGROUND: On August 29, 2000, the Board of Supervisors approved a three-year agreement with Hewlett Packard to provide computer server maintenance and repair services for County departments that chose to participate in the service agreement. The attached is an amendment to renew the agreement for these repair services.

Continued on Page 2

Departmental Concurrence

 Steve Reneker, CIO Information Technology	 Robert J. Howdyshell, Director Purchasing and Fleet Services
---	--

FINANCIAL DATA	Current F.Y. Total Cost:	\$997,171.56	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 26,510	Budget Adjustment:	
	Annual Net County Cost:	\$ 35,099	For Fiscal Year:	2003/2004

SOURCE OF FUNDS: Please see Attachment "A" = for departmental fund numbers	Positions To Be Deleted Per A-30 <input type="checkbox"/>
	Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature 

Policy
 Policy
 Consent
 Consent

Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: | **District:** | **Agenda Number:**

3.55

Form 11

August 19, 2003

Proposed purchase of a multi-year equipment maintenance / repair services agreement without seeking competitive bids.

Page 2 of 2

HP has offered a deep discount structure to the County, provided however, that the agreement is paid in one (1) year increments, in advance for a period of three (3) years. A single year agreement would provide for a 28% discount in accordance with the best pricing agreements in existence with Hewlett Packard. This agreement would provide a 33% average discount to the County. County departments will save a combined total of approximately \$485,337.28 annually by taking advantage of this offer.

The participating departments have agreed to the advance payment terms in order to receive the maximum discount and have budgeted accordingly. See Attachment "A" for participating departments.

**ATTACHMENT 'A'
PARTICIPATING DEPARTMENTS**

<u>Department</u>	<u>Fund #</u>	<u>List Price</u>	<u>Discounted Price</u>	<u>Saving</u>
OASIS	3054	\$1,557,442.80	\$1,065,290.88	\$492,151.92
Information Technology Dept	3021	\$452,571.34	\$309,558.80	\$143,012.54
Transportation & Land Management Agency	1183	\$657,951.44	\$450,038.78	\$207,912.66
Riverside County Office of Education	N/A	\$1,593,338.15	\$1,089,843.29	\$503,494.86
Sheriff Department	10000	\$346,328.70	\$236,888.83	\$109,439.87
Total		\$4,607,632.43	\$3,151,620.58	\$1,456,011.85

Payment Schedule

<u>Department</u>	<u>Fund #</u>	<u>Discounted Price Year 1</u>	<u>Discounted Price Year 2</u>	<u>Discounted Price Year 3</u>	<u>Discounted Price Total</u>
OASIS	3054	\$352,376.01	\$355,515.57	\$357,399.30	1,065,290.88
Information Technology Dept	3021	\$95,828.63	\$105,580.87	\$108,149.29	309,558.79
Transportation & Land Management Agency	1183	\$136,982.93	\$153,223.52	\$159,832.33	450,038.78
Riverside County Office of Education	N/A	\$350,333.77	\$373,688.79	\$365,820.74	1,089,843.30
Sheriff Department *	10000	\$61,650.22	\$81,626.44	\$93,612.17	236,888.83
Total		\$997,171.56	\$1,069,635.19	\$1,084,813.83	3,151,620.58

*Note: The Sheriff's cost is 43% funded by General Fund (\$26,510 for FY03/04)