

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

822



FROM: Riverside County Information Technology

SUBMITTAL DATE:
September 1, 2005

SUBJECT: Multi-year leased acquisition of an IBM mainframe computer including associated systems software, hardware maintenance, and professional services.

RECOMMENDED MOTION: That the Board of Supervisors approves a multi-year leased acquisition of an IBM mainframe processor to replace the current obsolete processor to be leased through Bank of America in the amount of \$455,217.50 including tax financed over 60 months.

BACKGROUND: The current IBM mainframe computer was purchased and was sized to accommodate computing services primarily needed by DPSS and the Property Departments. In October of 2004, DPSS Department migrated to the California State Automated Welfare System (SAWS) and the current processor is now oversized and no longer cost effective for the amount of computing workload that is generated by the Property Departments. In addition, IBM has announced that the model of computer that is currently in use at the County will no longer be supported beginning in 2007.

(Continued on Page 2)

Matthew W. Frymire
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Chief Information Officer

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost: \$95,000.00	N/A	Budget Adjustment:	
	Annual Net County Cost: \$95,000.00	\$ 0	For Fiscal Year:	2005/2006

SOURCE OF FUNDS: RCIT Rate recovery for Property Systems Support	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
[Signature]

[Faint background stamp: COUNTY OF RIVERSIDE, DEPT. EXECUTIVE]

Prev. Agn. Ref.: | **District:** ALL | **Agenda Number:** **3.41**

FORM APPROVED BY PAUL MCINNELL, Treasurer-Tax Collector Date: 9-7-05
 Form Approved by Auditor-Controller by *[Signature]* Purchasing: *[Signature]* Director: *[Signature]* 9/1/05
 Departmental Concurrence: *[Signature]* 9/1/05
 Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Form 11

September 6, 2005

Multi-year leased acquisition of an IBM mainframe computer including associated systems software, hardware maintenance, and professional services.

Page 2 of 2

BACKGROUND (Continued)

This proposed IBM computer is sized to meet the current and future mainframe computing requirements for the Property Departments over the next five years. The proposal includes computer hardware, software, and professional services to assist RCIT Staff in migrating workload from the current computer to the new computer environment. The proposal was reviewed with the Property Departments and they concur on the purchase of this new mainframe computer.

This proposal is the result of a competitive bid and the selected bidder was the only bidder that was responsive to all aspects of the bid. The County is planning on making this transaction with Jeskel Inc., and the financing will be accomplished using a County awarded vendor, Bank of America.

PRICE REASONABLENESS:

The pricing from Jeskell is determined to be fair and reasonable based on two factors.

The first being the result of a formal bid effort in which two bids were received and evaluated. A bid placed by QSGI was determined to be non-responsive to the requirements of the bid as they offered used equipment without the benefit of a warranty.

The second factor was based on an estimated bid by IBM Corp. prior to the formal bid which indicated a much higher price than that submitted by Jeskell. However, when the bid was issued, IBM stated they would not bid against an IBM business partner, in this case being Jeskell. The Jeskell price was substantially lower than the estimated bid by IBM and based on this, the price is deemed to be fair and reasonable. Migrating to the new platform will reduce system software licensing expense by approximately 150K annually.