

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

316



FROM: Purchasing and Fleet Services Dept.

SUBMITTAL DATE:
November 28, 2007

**SUBJECT: APPROVAL OF THE ORACLE SOFTWARE LICENSE AND MAINTENANCE CONTRACT
FOR THE COUNTY OF RIVERSIDE WITHOUT SECURING COMPETITIVE BIDS**

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the agreement with Oracle Corporation without securing competitive bids in the annual amount of \$3,000,000, for two years, in accordance with Ordinance 459.4; and
2. Authorize the Purchasing Agent to sign amendments and exercise renewal for up to four additional years, for a total of six years provided the annual increase does not exceed the CPI.

BACKGROUND: Within various Riverside County Departments there are hundreds of Oracle software licenses and support in use. These licenses are proprietary to Oracle and can only be obtained directly through Oracle or through authorized resellers. Procuring through resellers would result in a higher cost to the County than purchasing directly through Oracle. Purchasing has completed a market research and has determined that L. A. County has the most aggressive discounts for these licenses and support. This contract will cover all Riverside County Departments and each department will buy their license directly from Oracle. In addition to new license procurements, all license renewals must be procured through Oracle directly and cannot be competed.

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ROBERT J. HOWDYSHELL, Director
Purchasing and Fleet Services Dept.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,500,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	No
	Annual Net County Cost:	\$ 1,500,000	For Fiscal Year:	FY 07/08

SOURCE OF FUNDS: Various Department Budgets	Positions To Be Deleted Per A-30 <input type="checkbox"/>
	Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:
 APPROVE
 BY:
 Rob Rockwell
 County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
 BY: Neal R. Kipnis (2/5/07) DATE
 RCIT: [Signature]
 Greg Stockard, CTO

Dept's Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 3.27 dated 10/22/02 | District: All | Agenda Number: **3.49**

BOARD OF SUPERVISORS

**FORM 11: APPROVAL OF THE ORACLE SOFTWARE LICENSE AND MAINTENANCE
CONTRACT FOR THE COUNTY OF RIVERSIDE WITHOUT SECURING
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PRICE REASONABLENESS

Purchasing has performed a thorough market research by contacting Oracle's resellers to obtain their most aggressive discounts on each license, with the quotes on average ranging from 10% to 13% off list for new licenses and 10% to 20% discount off list for license renewals. A comparison of other government discounts to LA County's has been determined that LA County's has the most aggressive pricing structure as follows:

New Licenses:

\$0 - \$250,000 – 32.5% off list

\$250,001 - \$400,000 – 40% off list

License Renewals:

22% off based on original purchase price