

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

211



FROM: Riverside County Information Technology

SUBMITTAL DATE:
June 7, 2010

SUBJECT: APPROVAL OF SOLE SOURCE REQUEST FOR ANNUAL RENEWAL OF MAINTENANCE SOFTWARE AND LICENSING THAT SUPPORT THE PROPERTY MANAGEMENT SYSTEM WITHOUT SECURING COMPETITIVE BIDS

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file notice of the annual software maintenance and licensing without securing competitive bids, in the annual amount of \$555,814, which contains an option to renew the annual renewals for four additional one-year periods, with the following vendors:
 - Allen Systems Group, Inc. - \$43,690
 - Computer Associates, Inc. - \$62,490
 - Compuware - \$45,013
 - BMC Software, Inc. - \$29,621
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to sign the purchase orders, exercise the renewal option, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates, for services through 07/01/2015.

(Continued on Page 2)



 MATTHEW FRYMIRE
 Chief Information Officer

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 555,814	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	FY 09/10

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

C.E.O. RECOMMENDATION: **APPROVE**

BY: Serena Chow
 Serena Chow

County Executive Office Signature

Purchasing: 
 Mark Seiler, Assistant Director

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

BOARD OF SUPERVISORS

FORM 11: APPROVAL OF SOLE SOURCE REQUEST FOR ANNUAL RENEWAL OF MAINTENANCE SOFTWARE AND LICENSING THAT SUPPORT THE PROPERTY MANAGEMENT SYSTEM WITHOUT SECURING COMPETITIVE BIDS

PAGE 2

BACKGROUND

Riverside County Information Technology (RCIT) is currently utilizing various software products to support the County's mainframe systems, including the Property System for the Auditor-Controller, Assessor, and Treasurer Tax Collector. Allen Systems Group, Inc., Computer Associates Inc., IBM, Compuware, and BMC Software, Inc. are the only providers of the various software products, the only vendors to support the existing County mainframe systems, and provide the County with the licensing for continued use of these products. The support services from these vendors provide software upgrades, patches, and escalation support in instances where higher level support is required.

While it is possible to replace these software products with something compatible, it would require the replacement of a complete suite of tools and extensive training for both RCIT and customer base, thus resulting in additional costs and reduction in productivity. This cost and loss of production would not be acceptable to customers such as the Auditor-Controller, Assessor, or Tax Collector who utilize the systems tools.

As the life-cycle for the County's current Property System is expected to end in approximately three to four years, the departments that sponsor the County's Property System want to avoid spending the time and/or money in training staff on a new suite of tools that may be replaced. Considering the current status of the Property System, the sponsor departments are calling for a reduction in the costs of operating the system. Continued use of support tools that are familiar and already a part of the operation, as well as the product being offered at a reduced cost, is believed to be the best option for the County.

PRICE REASONABLENESS

Through Purchasing negotiations vendors are extending government discounts. Without increasing costs of software licensing, maintenance products and renewals of all products requested. This is a \$300,000 savings over the four year period. This immediate savings is critically important at a time when departments are cutting expenditures.

REVIEW/APPROVAL: Purchasing concurs with this request.

Memorandum

To: Mark Seiler, Assistant Director

Date: June 9, 2010

Via: Rebecca Gibson, Procurement Contract Specialist

From: Matt Frymire, Chief Information Officer

Subject: Sole Source Procurement for RCIT – Request for annual renewal of maintenance software and licensing that supports the Property Management System without securing competitive bids

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. Supply/Service being requested:

Proprietary software license and services contract used to support the County's mainframe systems, including the Property System for the Auditor-Controller, Assessor and Treasurer Tax Collector.

2. Supplier(s) being requested:

Allen Systems Group, Inc. (ASG)
Computer Associates Inc. (CA)
IBM
Compuware
BMC Software, INC.

3. Alternative suppliers that can or might be able to provide supply/service:

None, this is the manufacturer(s) of a custom, proprietary system.

4. Extent of market search conducted:

Information Technology meet with vendors in 2004 regarding this software system and several months of meetings and discussions occurred at that time.

5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:

Riverside County Information Technology (RCIT) is currently utilizing various software products to support the County's mainframe systems, including the Property System for the Auditor-Controller, Assessor and Treasurer Tax Collector. Allen Systems Group, Inc., Computer Associates Inc., IBM, Compuware, and BMC Software, INC. are the only providers of the various software products, the only vendors to support the existing County mainframe systems, and provide the County with the licensing for continued use of these products. The support services from these vendors provide software upgrades.

patches, and escalation support in instances where higher level support is required.

6. Reasons why my department requires these unique features and what benefit will accrue to the county:


As the life-cycle for the County's current Property System is expected to end in approximately three to four years, the department's that sponsor the County's Property System want to avoid spending the time and/or money in training staff on a new suite of tools that may be replaced. Considering the current status of the Property System, the sponsor departments calling for a reduction in the costs of operating the system, continued use of support tools that are familiar and already a part of the operation, as well as the product being offered at a reduced cost, this is believed to be the best option for the County.

7. Price Reasonableness:

The vendors are extending government discounts on all products requested and will not increase the cost of software licensing and maintenance products, due to Purchasing negotiating with all the vendors to hold their annual costs, and all subsequent renewal periods with no increases. This is a \$300,000 savings over the four year period. This immediate savings is critically important at a time when departments are cutting expenditures

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements?

No, however, the intent is to renew the licensing agreement on an annual basis for the next four years or through 2015.


Matt Fymire, Chief Information Officer

9-JUN-14
Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove


Mark Seiler, Assistant Director

6-9-10
Date