

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

all



FROM: Department of Public Health

SUBMITTAL DATE:
December 3, 2012

SUBJECT: Approve the Sole Source for Hardware and Software Maintenance Agreement with Enterasys.

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve the Hardware and Software maintenance support with Enterasys for the life of the system, renewed annually, in accordance with Ordinance 459.4 in the annual amount of \$120,000, and;
- 2) Authorize the Purchasing Agent to issue a purchase order for Hardware and Software maintenance support with Enterasys in accordance with Ordinance 459.4, and;
- 3) Authorize the Purchasing Agent in accordance with Ordinance 459.4 to renew the maintenance support in one-year increments and purchase additional hardware, software licenses, as upgrades are needed.

(Continued on Page 2)

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY *[Signature]*
 SAMUEL WONG
 Departmental Concurrence

Purchasing: *[Signature]*
 Mark Seiler, Assistant Director

[Signature: Susan D. Harrington]
 Susan Harrington, Director of Public Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 120,000	In Current Year Budget: Y
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment: No
	Annual Net County Cost:	\$ 0	For Fiscal Year: 12/13

SOURCE OF FUNDS: 100% 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: *[Signature: Debra Cournoyer]*
 Debra Cournoyer

County Executive Office Signature

Policy
 Consent

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

BACKGROUND:

Public Health (formerly Community Health Agency (CHA)), Information Technology (IT) has had the Enterasys (formerly Cabletron) system since 1997. The original equipment was for the Riverside County Regional Medical Center (RCRMC) when CHA was under the Health Services Agency (HSA).

In 1999, HSA standardized the Enterasys equipment during Y2K preparation. In 2001, CHA was formed and continued the standardization with Enterasys products. The Enterasys system is comprised of network switches, routers and software systems.

On October 16, 2007, per agenda 3.13, the Board of Supervisors approved Enterasys as the standard equipment and services for CHA, IT.

In July 2012, CHA was divided into four stand alone departments. Public Health, Environmental Health, Animal Services and Health Care Systems will need to establish individual maintenance agreements with the vendor. The combined four departments have thirty-eight (38) sites with Enterasys equipment. Without continued maintenance and upgrades, the system is subject to downtime and security breaches.

A competitive bid; HSARC-251 was sent to four Enterasys supported vendors; with only one response. Enterasys partners with computer vendors (GST, CompuCom and Insight Public Sector); however the pricing working directly with Enterasys is lower than working through the other vendors.

PRICE REASONABLENESS:

Department of Public Health buyer released Request for Quotation (RFQ#HSARC-251), emailed notification to four companies and advertised on publicpurchase.com. Only one response was received to the RFQ.

Based on CMAS (California Multiple Award Schedules) pricing, the County is receiving 62% off list price on hardware support and 30% off the software support. The discounts are based on fourteen (14) years of continued business with Enterasys. Overall, the cost savings is \$27,000 annually below the list price.

REVIEW/APPROVAL: Purchasing concur with this request.

Date: December 3, 2012

From: Susan Harrington, Director Department/Agency: Department of Public Health

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for Enterasys Hardware and Software Maintenance and support services.

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:** Enterasys hardware and software maintenance and support services.
2. **Supplier being requested:** Enterasys
3. **Alternative suppliers that can or might be able to provide supply/service:** Enterasys partners with computer vendors (GST, CompuCom and Insight Public Sector); however the pricing working directly with Enterasys is lower than working through the other vendors.
4. **Extent of market search conducted:** RFQ#HSARC-251 and internet.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Enterasys is the manufacturing and maintenance provider for this network equipment. Currently Public Health, Health Care Systems, Environmental Health and Animal Services have Enterasys network equipment in thirty-eight (38) sites throughout the county.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** With thirty-eight (38) sites running Enterasys network equipment, the network infrastructure is standardized. Without continuing with Enterasys, the operation will cease to have maintenance and support.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** Based on CMAS (California Multiple Award Schedules) pricing, the County is receiving 62% off list price on hardware support and 30% off the software support. Huge discounts are based on fourteen (14) years of continued business with Enterasys. Overall, the cost savings is \$27,000 annually below the list price.
8. **Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).** Yes, as long as the Enterasys equipment is in use, upgrades, hardware, and software maintenance and support will be required to keep the system running.

9. **Period of Performance:** For the life of the system, renewable annually based on the availability of fiscal funding and system requirement.

Susan D. Hanington 12/3/12
Department Head Signature Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove

Not to exceed: \$ 100,000 One time Annual Amount through 6-30-2015

[Signature] 12-3-12 13-248
Purchasing Agent Date Approval Number
(Reference on Purchasing Documents)



25392

RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or renewals

4/8

REQUESTED PURCHASE:		ENTERASYS ANNUAL MAINTENANCE																					
DEPARTMENT/AGENCY:		ENVIRONMENTAL HEALTH, PUBLIC HEALTH, HEALTH CARE SYSTEM AND ANIMAL SERVICES																					
CONTACT NAME/PHONE:		DAVID VILLEGAS 358-5009																					
PURCHASE REQUEST:		<input type="checkbox"/> NEW EQUIPMENT/SERVICES <input type="checkbox"/> UPGRADE <input type="checkbox"/> REPLACEMENT																					
PURCHASE TYPE:		<input type="checkbox"/> PROFESSIONAL SERVICES <input type="checkbox"/> SOFTWARE <input type="checkbox"/> HARDWARE <input checked="" type="checkbox"/> RENEWAL																					
DESCRIBE REQUESTED PURCHASE	Purchase annual maintenance for Enterasys Network equipment for Environmental Health, Public Health, Health Care systems and Animal Services. We are currently renewing under a single contract which will expire in March 2013. After that date each department will establish their own contracts.																						
BUSINES NEEDS ADDRESSED	Continued hardware and software support for Enterasys network equipment.																						
ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY?		<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> UNKNOWN																					
BUSINESS CRITICALITY		BUSINESS IMPACT (SELECT ALL THAT APPLY)																					
<input checked="" type="checkbox"/> Run the business <input type="checkbox"/> Grow the business <input type="checkbox"/> Transform the business		<input checked="" type="checkbox"/> Support current operations <input type="checkbox"/> Reduce Expenses <input type="checkbox"/> Improve Customer Service <input type="checkbox"/> Improve Operational Efficiencies																					
BUSINESS RISKS	Financial: Operational: Customer:																						
ALTERNATIVE SOLUTIONS	1. [Solution] 2. [Solution] 3. [Solution]																						
TRANSACTION	<input checked="" type="checkbox"/> Cash Purchase <input type="checkbox"/> Lease Purchase Lease Years: _____																						
PURCHASE COSTS	COST BENEFIT ANALYSIS																						
Hardware: \$64,000.00	<table border="1"> <thead> <tr> <th></th> <th>ALTERNATIVE STATUS QUO</th> <th>ALTERNATIVE</th> <th>ALTERNATIVE</th> </tr> </thead> <tbody> <tr> <td>Current Annual Cost</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Ongoing Annual Cost</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Annual Cost Savings</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Net Annual Savings</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				ALTERNATIVE STATUS QUO	ALTERNATIVE	ALTERNATIVE	Current Annual Cost				Ongoing Annual Cost				Annual Cost Savings				Net Annual Savings			
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Software: \$																							
Labor: \$																							

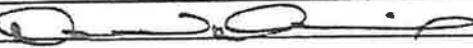


RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or renewals

25392

TOTAL COST: \$	Project Implementation Cost			
	Project Payback Period? yrs			

11/8

Department Head Signature:  Date: 11.7.12

RCIT RECOMMENDATION – for purchases and renewals under \$100,000

Recommended: Yes No (Non-recommended requests submit to TSOC)

By: _____ Date: 11/29

Chief Information Officer Signature: _____ Date: _____

RCIT - APPROVED

RP

RCIT explanation for non-recommended requests:

TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals

Recommended: Yes No (In no, provide explanation below)

TSOC Chair Signature: _____ Date: _____

TSOC explanation for denied requests: