

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

412



FROM: Riverside County Information Technology (RCIT)

SUBMITTAL DATE:
April 7, 2014

SUBJECT: Approve the Sole Source Software Maintenance Renewal for Proprietary Telephone Invoicing Inventory Management with Telesoft Corporation, 5-years maintenance renewal, All Districts, [\$237,865 total]; [\$47,573 annually]; 100% RCIT Operating Budget

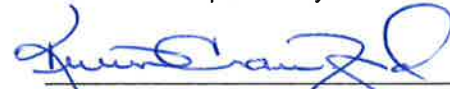
RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Purchasing Agent to issue a purchase order with Telesoft Corporation without securing competitive bids in the annual amount of \$47,573 from April 2014 – March 2019, renewable in one year increments; and
2. Authorize the Purchasing Agent to exercise the annual renewal options for the software maintenance, 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.

BACKGROUND:

Summary

The Telesoft telephone infrastructure inventory management and billing system has support the county's telephone operations since 1998 and continues to provide RCIT with a stable telephone system inventory and billing platform.



 Kevin K Crawford
 Chief Information Officer

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 47,573	\$ 47,573	\$ 237,865	\$ 47,573	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: RCIT Operating Fund	Budget Adjustment: No
	For Fiscal Year: 13/14 – 18/19

C.E.O. RECOMMENDATION: APPROVE

BY: 
 Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- Positions Added
- Change Order
- A-30
- 4/5 Vote

Prev. Agn. Ref.: _____ District: All Agenda Number: _____

3 - 15

Purchasing:  Mark Seiler, Assistant Director

BACKGROUND:

Summary (continued)

The Telesoft system is the repository for all existing telephone infrastructure equipment, phone lines and data circuits that supports the current Aastra telephone system in place today. It will also support the new CISCO telephone equipment or the Voice over Internet Protocol (VoIP) system that is being implemented as part of the Converged Network Project (CNP). The system is used to track all phone lines, data circuits, public network usages and performs billing for that usage. The requested annual renewal is for the software maintenance that supports the Telesoft application (\$34,056) and the Center for Communications Management Information (CCMI) Rate Table Tariff Subscription (\$13,517) that is used to bill customers for call usage. This billing subscription provides for automated billing; without this subscription manual billing would be labor intensive.

Impact on Residents and Businesses

There is no direct impact on residents or businesses.

SUPPLEMENTAL:

Additional Fiscal Information

The Telesoft Corporation is the sole provider of Telesoft system maintenance services – there are no distributors that can provide the software maintenance. Only Telesoft products and modules can be installed in the Telesoft environment. To convert to another telephone asset, inventory and billing system would result in significant cost increases related to development and implementation of a new system.

Contract History and Price Reasonableness

The Purchasing Department, on behalf of RCIT had solicited competitive bids for the Telephone Billing System RFP #96761 in April of 1998. A Request for Proposal was mailed to all known vendors, and Purchasing received four (4) responses with proposals ranging from \$177,000 to \$402,000 for the implementation of a telephone billing system; Telesoft Corporation was the lowest responsive/responsible bidder. The current pricing provided by the Telesoft Corporation for the subscription has been discounted by 15% from retail.



KEVIN K CRAWFORD
Chief Information Officer

MEMORANDUM

COLBY CATALDI
Asst. Chief Information Officer, DSB
G. BRIAN KOVALSKY
Asst. Chief Information Officer, BSB
TOM MULLEN II
Asst. Chief Information Officer, ICB
WESLEY P. COLVIN
Asst. Chief Information Officer, HSB

To: Mark Seiler, Asst. Purchasing Director **Date:** April 16, 2014
Via: RCIT, Procurement Contract Specialist
From: Kevin K Crawford, Chief Information Officer
Subject: Sole Source Procurement for

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:**
Telephone invoicing and inventory management software renewal
2. **Supplier being requested:**
Telesoft Corporation
3. **Alternative suppliers that can or might be able to provide supply/service:**
The company is the proprietary service provider for the County's current telephone billing and inventory system.
4. **Extent of market search conducted:**
Extensive market research was conducted and no additional vendors were identified. Telesoft Corporation was contacted and the County was advised that the Telesoft Corporation is the sole provider and that there are no other vendors that are authorized to sell the software maintenance.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:**
Riverside County Information Technology (RCIT) telephone inventory and billing originates with the Telesoft Corporation software modules. All Telecommunication Expense Management (TEM) software provided by Telesoft is only compatible with the Telesoft base software modules and database.

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SOLE SOURCE PROCUREMENT

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

The Telesoft system which was originally implemented in 2000 provides RCIT with a stable billing and inventory system. Over \$14 million is billed and collected each year from our internal and external customers using this telephone billing system. In addition, the Invoicing and Inventory management modules result in the elimination of extensive manual entries and enhanced efficiency. To convert to another telephone asset, inventory and billing system would result in significant cost increases of between \$500,000 and \$600,000 for new software, implementation and training.

7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:**


Pricing provided by the Telesoft Corporation for the subscription has been discounted 15%.

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, this service requires the annual software maintenance not to exceed \$47,573.00

9. **Period of Performance:**

The initial term is one (1) year, with an option to renew for four (4) additional one (1) year terms.


Kevin K Crawford, Chief Information Officer

17 Apr 14
Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ 47,573

One time

Annual Amount through 3-31-19


Mark Seiler, Asst. Purchasing Director

4-17-14
Date

14-465
Approval Number