

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



ITEM
3.20
(ID # 9770)

MEETING DATE:
Tuesday, May 7, 2019

FROM : RIVERSIDE COUNTY INFORMATION TECHNOLOGY:

SUBJECT: RIVERSIDE COUNTY INFORMATION TECHNOLOGY: Approve the Agreement with Dell Marketing L.P. for VMware Enterprise License Agreement (ELA) for VMware to be used by County entities and for corresponding implementation services, Twenty seven month, All Districts. [\$3,990,262 - Total Cost, \$1,995,131 - Annually, \$199,513 Additional Compensation, 83% RCIT Budget, 13% RUHS Budget, 3% ACR Budget, 1% Fire Budget]

RECOMMENDED MOTION: That the Board of Supervisors:


1. Approve the Agreement with Dell Marketing L.P. for VMware Enterprise License Agreement (ELA) through July 31, 2021 for VMware to be used by all County entities and for corresponding implementation services for the total amount of \$3,990,262;
2. Authorize the Purchasing Agent, based on the availability of fiscal funding and as approved by County Counsel, to sign amendments that do not change the substantive terms of the agreement or do not exceed the sum of \$199,513 (5%) of the total contract amount;
3. Authorize the Chairman of the Board to sign three (3) copies of the Agreement on behalf of the County; and;
4. Direct the Clerk of the Board to retain one (1) copy of the Agreement and return two (2) copies of the Agreement to the Information Technology Department for distribution.

ACTION:Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: May 7, 2019
xc: RCIT, Purchasing

Kecia Harper
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 1,995,131.00	\$ 3,990,262.00	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 83% RCIT Budget, 13% RUHS Budget, 3% ACR Budget, 1% Fire Budget			Budget Adjustment: No	
			For Fiscal Year: 19/20-20/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On March 29, 2016 (Board agenda item no. 3.46), the Board of Supervisors approved and authorized the Chairman to execute a three-year Enterprise License Agreement (ELA) for VMware. The intent of the agreement was to consolidate VMware licensing across the County, encourage departments to upgrade and consolidate their aging computer hardware, and to take advantage of the savings that are realized through volume purchasing. Over the past three years the County has leveraged the VMware ELA to successfully drive virtualization across departments and centralize the majority of systems into the Riverside County Collaboration Center (RC3).

Riverside County would like to renew the ELA with VMware, Inc. for VMware licensing, maintenance, support, and professional services. This contract will continue to be used by all RCIT managed departments, RUHS, ACR, and Fire to drive further consolidation and reduce the cost of buying equipment for new projects or replacing older equipment that is beyond its normal lifecycle. In addition, this new ELA will include new security features and enhancements that will help the County reduce its risk from malware attacks and the increasing number of hacking attempts that we see daily.

VMware is the creator/owner of the software, but the product is provided through third party Premier certified partners, such as Dell Marketing L.P. and GST. These authorized Premier certified partners are the main point of contact for all licensing needs, technical support, training and professional service and will partner with RCIT and VMware to ensure all aspects of the ELA are met. The ELA will provide RCIT with the capabilities to continue to support the migration of County departmental systems into the centralized shared enterprise services hardware platform that is housed at RC3.

RCIT recommends the Board approve and execute the Enterprise License Agreement with Dell Marketing L.P.

Impact on Residents and Businesses

There is no negative impact on private residents or private businesses.

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Additional Fiscal Information

Although, software prices have generally increased steadily over the past three years, Purchasing and RCIT have been able to negotiate a 10% decrease in the annual cost compared to the previous contract, which equates to roughly 50% off the list price of the software. In addition, renewing the VMware ELA will align the County's contract renewal and future payment schedules into the same fiscal year. The VMware ELA provides the services to be effective from the date of approval by the Board, however payment will be deferred until FY 19/20 per negotiation with VMware.

Below is the cost allocation to all participating departments:

Department	FY 19/20	FY 20/21	Total
RCIT	\$1,305,456	\$1,305,456	\$2,610,912
RUHS	\$536,461	\$536,461	\$1,072,922
ACR	\$126,856	\$126,856	\$253,712
Fire	\$26,358	\$26,358	\$52,716
Total Cost	\$1,995,131	\$1,995,131	\$3,990,262

Contract History and Price Reasonableness

On April 18, 2019 Purchasing released a Request for Quote (RFQ) #RIVCO-2019-RFQ-0000030 for VMware ELA. Notification was posted publicly and sent to four VMware Premier certified partners. Two bidders responded which were GST and Dell Marketing L.P. to the RFQ with quotes ranging from \$3,990,262 to \$4,257,609. The County determined and recommends award to Dell Marketing L.P. as the lowest most responsive/responsible bidder.

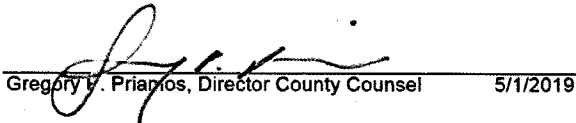
Attachment:

1. Agreement with Dell Marketing L.P.
2. VMware ELA Agreement with VMware, Inc.

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Teresa Summers, Director of Purchasing 5/1/2019


Venus Brambila 5/1/2019


Gregory V. Priamos, Director County Counsel 5/1/2019


Jim Smith, Chief Technology Officer 5/1/2019

**AGREEMENT BETWEEN THE COUNTY OF RIVERSIDE
AND DELL MARKETING L.P.
(VMWARE ENTERPRISE LICENSE AGREEMENT)**

This Agreement is entered into between the County of Riverside and Dell Marketing L.P., with an effective date of May 7, 2019, in response to RFQ # RIVCO-2019-RFQ-0000030 for VMware Enterprise License Agreement and related licenses, services and support. The parties agree as follows:

1. The following documents are attached to and incorporated into this Agreement:

Attachment A: Dell Marketing L.P. Quote

Attachment 1: VMware Enterprise License Agreement (ELA) (add # of pages for each section)

Exhibit A: ELA Schedule

Exhibit B: VMware Eligible HPP Products

Exhibit C: VMware End User License Agreement

Exhibit D: VMware Support and Subscription Services "SnS" Terms and Conditions

Exhibit E: Terms of Service

Exhibit F: Technical Account Manager Service Attachment

Exhibit G: VMware Subscription Purchasing Program

Exhibit H: Data Processing Addendum

Exhibit I: VMware Business Critical Support

2. This Agreement represents the entire understanding between the parties regarding the subject matter of the Agreement.

County of Riverside

Dell Marketing L.P.

By: 


By: 

Kevin Jeffries
Chairman, Board of Supervisors

Alison Harrington
Commercial Counsel

Dated: MAY 07 2019

Dated: May 1, 2019

ATTEST:
KECIA R. HARPER, Clerk
By: 
DEPUTY

FORM APPROVED COUNTY COUNSEL

BY:  5 May 2019
DAVID M. MCCARTHY DATE

MAY 07 2019 3.20