



MEMORANDUM
ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES
County of Placer

TO: Board of Supervisors DATE: April 19, 2016
FROM: Brett Wood, Purchasing Manager
SUBJECT: Hewlett Packard Brand Network Products – Modal Networks, Inc.

ACTION REQUESTED

Approve the annual renewal of a blanket purchase order using a competitively awarded Western States Contracting Alliance contract with Modal Networks, Inc. of Sacramento, CA for Hewlett Packard brand network products in the maximum amount of \$175,000 for the period of April 1, 2016 through March 31, 2017, funded by Administrative Services' FY2015-16 Final Budget, and to be included in the FY2016-17 Requested Budget, resulting in no new net County cost; and

Authorize the Purchasing Manager to sign all required documents.

BACKGROUND

On February 24, 2015, your Board approved the annual renewal of a blanket purchase order (BPO) using a competitively awarded Western States Contracting Alliance (WSCA) contract with Modal Networks of Sacramento, CA. The Administrative Services Department, Telecommunications Division (TELECOM) uses this BPO to purchase Hewlett Packard (HP) brand switches and networking equipment to support the County's Enterprise Data Network and several site specific projects. The BPO with Modal Networks expired on March 31, 2016.

TELECOM has a recurring need to purchase network and video conferencing equipment, such as routers, switches, video equipment, and cables in support of the County's high-speed computer network infrastructure. Modal Networks has agreed to continue to extend WSCA contract pricing for network products. The WSCA contract is a competitively bid public agency contract that supplies State and local government agencies with HP brand equipment at a volume discount rate of 34 percent off the manufacturer's list price. Modal Networks has agreed to provide an additional 13 percent discount on top of the WSCA discount for a total discount of 47 percent for all purchases made through the renewal period.

The Purchasing Policy Manual Section 1.3 (e)(3) allows for an exception to the competitive bidding process when goods and services are obtainable from a private vendor which has a competitively awarded contract with another public agency. The WSCA contract meets this criterion.

Your Board's approval is required to proceed with a new one-year BPO in the maximum amount of \$175,000 and to authorize the Purchasing Manager to sign the resulting BPO.

FISCAL IMPACT

The Telecommunications Division has budgeted appropriately for this BPO and funding is available within the division's FY 2015-16 Final Budget and will be included in the FY 2016-17 Requested Budget. Funds are not encumbered until services are performed against the resulting BPO.

cc: Kathy Buchanan, Deputy Director of Information Technology, Administrative Services
Dieter Wittenberg, Information Technology Manager, Administrative Services

