

**MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors

FROM: David Seward, Purchasing Manager 

DATE: July 11, 2006

SUBJECT: Recommendation to Extend the Authority to Use the Existing Master Lease Agreements with Dell Computer Corporation and Hewlett-Packard Company for Computer Servers and Related Equipment through June 30, 2009

ACTION REQUESTED

Extend the authority to use the existing master lease agreements for computer servers and related equipment with Dell Computer Corporation (Dell) and Hewlett-Packard Company (HP) through June 30, 2009 and authorize the Purchasing Manger to sign all necessary documents.

BACKGROUND

The Administrative Services Information Technology (IT) Division maintains a multi-year capital replacement plan for the County's technology infrastructure. The plan covers the replacement of computer servers and related equipment. Dell and HP systems are the County standards for servers and related equipment. Standardization of these servers is necessary to run the County Financial, Payroll and Personnel Network Systems.

On June 11, 2002 your Board approved the use of master lease agreements with Hewlett Packard and Dell. The most cost effective pricing available for this equipment is through cooperative purchasing agreements with the Western States Contracting Alliance (WSCA) and the State of California Multiple Award Schedule (CMAS). Section 1.3(e)(3) of the Purchasing Policy Manual provides the authority for using these cooperative agreements.

The continued use of these lease agreements will allow the County to continue to plan and schedule the replacement of its computer servers and equipment in a timely manner and reduce the risk of technical obsolescence. The two agreements greatly increase the efficiency of implementing the capital replacement plan.

FISCAL IMPACT

The Administrative Services Department has budgeted \$1,257,000.00 in FY 06-07 for the lease of computer servers and equipment, including countywide systems. This amount does not include equipment funded and/or managed by other County departments. Other County departments will have the ability to utilize the master lease agreements and have budgeted for these expenditures accordingly.

cc: Clark L. Moots, Director of Administrative Services
Gayle Bast, Deputy Director of Information Technology
Sandy Hammock, Senior Administrative Services Officer

