

# PLACER COUNTY

## ADMINISTRATIVE SERVICES DEPARTMENT

### MEMORANDUM

**TO:** Honorable Board of Supervisors

**FROM:** Jerry Gamez, IT Division Manager

**DATE:** June 10, 2008

**SUBJECT:** Recommendation to Award a Purchase Order Using a Competitively Bid Public Agency Contract to Modal Networks for the Acquisition of Hewlett Packard Hardware to Upgrade the County's Enterprise Data Network Infrastructure in the Amount of \$197,176.40.

---

#### **ACTION REQUESTED**

Approve the award of a purchase order using the Western States Contracting Alliance (WSCA) contract, a competitively bid public agency contract, to Modal Networks of Sacramento, CA for the purchase of Hewlett Packard (HP) Hardware to upgrade the County's Enterprise Data Network Infrastructure and authorize the Purchasing Manager to sign the resulting purchase order in the maximum amount of \$197,176.40.

#### **BACKGROUND**

The Administrative Services Department Network Infrastructure Services Group (Department) is responsible for the administration, support, and maintenance of the County's Enterprise Data Network. The County's Enterprise Data Network supports approximately 4000 users and is comprised of various Cisco and Hewlett Packard brand hardware.

On February 6, 2001 your Board approved a \$448,000 upgrade of the County's Enterprise Data Network Infrastructure. The upgrade consisted of a two-phased approach to replace and upgrade the County's Wide Area Network and Local Area Network with new data transport technologies. The transport technologies deployed in 2001 are now at or nearing technical obsolescence and no longer supported by the manufacturer. Currently no expansion capabilities exist and no further software revision upgrades are supported.

The Department enlisted the assistance of Modal Networks, a qualified Information Technology Support Services vendor and Hewlett Packard Elite Partner, to develop a comprehensive solution to upgrade the County's legacy transport technologies with new HP hardware. The HP hardware being purchased meets current County Information Technology standards and will provide for improved network management services increasing the reliability of the County's Enterprise Data Network. Improvements over the existing infrastructure include switch-based traffic management, real-time measurement of network traffic, pro-active detection of network latencies, increased bandwidth scalability including gigabit to desktop for future services such as Voice over IP, Power over Ethernet, enhanced streaming video applications and Unified Communications technologies. In addition, the HP product line comes with a lifetime next day replacement policy and a lifetime software upgrade warranty.

On May 21, 2008, Modal Networks presented County staff with a proposal in the amount of \$197,176.40 to upgrade the County's legacy transport technologies with new HP hardware. Modal Networks' proposal is based on the Western States Contracting Alliance contract pricing a competitively bid public agency contract that supply State and local government agencies with HP brand equipment at a volume discount rate of 36 percent below the manufacturer's list price. In addition, Hewlett Packard has extended Modal Network's with an additional 11 percent discount that Modal Networks will pass through as an additional savings to Placer County. Modal Networks has also provided a Trade-in credit for the obsolete legacy infrastructure being removed from service.

In accordance with Purchasing Policy Manual 1.3(e)(3), purchases against another public agency's competitively awarded contract are exempt from competition. Modal Networks' WCSA pricing proposal meets this criterion. Therefore, in order to proceed with this purchase your Board's approval is required.

### **FISCAL IMPACT**

The Purchase Order resulting from this recommendation will total \$197,176.40 and funds for the Hewlett Packard Hardware are budgeted within the Administrative Services Department, Telecommunication Division's FY07/08 operating budget.

Cc: Clark L. Moots, Director of Administrative Services  
Ron Baker, Senior Administrative Services Officer  
Sandy Hammock, Senior Administrative Services Officer  
Jim Boggan, Purchasing Manager

Attachment: Administrative Services Department's Fiscal Impact Statement

## FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors

FROM: Jerry Gamez, IT Division Manager

DATE: June 10, 2008

SUBJECT: **Fiscal Impact Statement**

Approve the Award of a Purchase Order Using a Competitive Bid Public Agency Contract to Modal Networks for the Acquisition of Hewlett Packard Hardware to Upgrade the County's Enterprise Data Network Infrastructure in the Amount of \$197,176.40.

---

The Administrative Services Department's Telecommunications Division (Department) has budgeted appropriately for this Request and funding is available in the Telecommunications Division's FY 2007-08 Budget (02100).

The Department maintains a ten-year capital replacement plan for equipment purchases and a reserve fund to support required upgrades. The Hewlett Packard Hardware being purchased is included in the Administrative Services Department's FY2007 – 2008 Master Fixed Asset List.

