

PLACER COUNTY

ADMINISTRATIVE SERVICES DEPARTMENT

MEMORANDUM

TO: Honorable Board of Supervisors

FROM: Clark L. Moots, Director of Administrative Services 

DATE: January 12, 2010

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 \$179,475.95.

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 \$179,475.95.

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 data ports 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 in a phased and fiscally sound manner.

On June 10, 2008 your Board approved a contract in the amount of \$197,176.40 to upgrade the data transport equipment no longer supported by the manufacturer. The HP hardware purchased from Modal Networks met current County Information Technology standards and improved the overall reliability of the County's Enterprise Data Network. Improvements over the legacy 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 November 7, 2009, Modal Networks presented County staff with a proposal in the amount of \$179,475.95 to upgrade the next phase of the County's legacy transport technologies with new HP hardware in accordance with the Department's Capital Replacement Plan. Modal Networks' proposal is based on the Western States Contracting Alliance contract pricing a competitively bid public agency contract that supplies 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 an additional 15 percent discount that Modal Networks will pass through as an additional savings to Placer County.

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 \$179,475.95 and funds for the Hewlett Packard Hardware are budgeted within the Administrative Services Department, Telecommunication Division's FY09/10 Fixed Asset Budget (02100).

Cc: Ron Baker, Senior Administrative Services Officer
Sandy Hammock, Senior Administrative Services Officer
Jim Boggan, Purchasing Manager
Jerry Gamez, IT Division Manager

Attachment: Administrative Services Department's Fiscal Impact Statement -

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors

FROM: Clark L. Moots, Director of Administrative Services



DATE: January 12, 2010

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 \$179,475.95.

The Administrative Services Department's Telecommunications Division (Department) has budgeted appropriately for this Request and funding is available in the Telecommunications Division's FY 2009-10 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 FY2009 – 2010 Master Fixed Asset List.

