

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

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager  
DATE: February 24, 2015  
SUBJECT: Hewlett Packard Brand Network Products – Modal Networks, Inc

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**ACTION REQUESTED**

1. 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, 2015 through March 31, 2016, funded by Administrative Services' FY2014-15 budget, and to be included in the FY2015-16 requested budget, resulting in no new net County cost; and
2. Authorize the Purchasing Manager to sign the resulting blanket purchase order.

**BACKGROUND**

On February 25, 2014, your Board approved the annual renewal of a blanket purchase order (BPO) with Modal Networks. The Administrative Services Department, Telecommunication Division's Network Infrastructure Services Group uses this BPO to purchase HP brand switches and networking equipment to support the County's Enterprise Data Network and several site specific projects. The current BPO with Modal Networks will expire on March 31, 2015.

Modal Networks has agreed to continue to extend Western States Contracting Alliance (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**

Upon your Board's approval, a new BPO will be awarded to Modal Networks, Inc. in the maximum amount of \$175,000 for the period of April 1, 2015 through March 31, 2016. The Administrative Services Department's Telecommunications Division has budget appropriately for this BPO and funding is available in the Telecommunication's FY 2014-15 budget with no new net County cost and will be included in the FY2015-16 requested budget. Funds are not encumbered until services are rendered against the BPOs.

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

