



Legislation Details (With Text)

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Title: Information Technologies recommending the Board:
1) Approve continuation of the perpetual hardware maintenance and software license/support agreements for the dates and approximate annual payment amounts indicated in attachment A; and
2) Authorize all actions necessary for the continuation of the perpetual agreements including extension of the software maintenance as required by the agreements; and
3) Authorize the Purchasing Agent to encumber funds for the Fiscal Year 2019-2020 and Fiscal Year 2020-2021 hardware and software maintenance payments required for each perpetual agreement.

FUNDING: General Fund, with cost recovery in future years through the A-87 Cost Plan.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - FY 20-21 Perpetual Software License Agreements

Date	Ver.	Action By	Action	Result
10/8/2019	1	Board of Supervisors	Approved	Pass

Information Technologies recommending the Board:

1) Approve continuation of the perpetual hardware maintenance and software license/support agreements for the dates and approximate annual payment amounts indicated in attachment A;
2) Authorize all actions necessary for the continuation of the perpetual agreements including extension of the software maintenance as required by the agreements; and
3) Authorize the Purchasing Agent to encumber funds for the Fiscal Year 2019-2020 and Fiscal Year 2020-2021 hardware and software maintenance payments required for each perpetual agreement.

FUNDING: General Fund, with cost recovery in future years through the A-87 Cost Plan.

DISCUSSION / BACKGROUND

The Board is being asked to approve all current perpetual hardware maintenance and software license agreements as outlined on the attached chart, dated October 2019, for on-going hardware maintenance and software support for the remainder of Fiscal Year 2019-20 and Fiscal Year 2020-21. Information Technologies (IT) advises and seeks approval from the Board annually to continue these agreements.

IT is advising the Board of all current perpetual hardware maintenance and software license agreements for on-going maintenance and support fees administered by IT, and is recommending the Board:

1) Approve continuation of the perpetual hardware maintenance and software license/support agreements for the dates and approximate annual payment amounts indicated; and

- 2) Authorize all actions necessary for the continuation of the perpetual agreements including extension of the software maintenance as required by the agreements; and
- 3) Authorize the Purchasing Agent to encumber funds for the FY 2019-20 and FY 2020-21 hardware and software maintenance payments required for each perpetual agreement.

Any future changes to the terms and conditions of these agreements, other than the authorized price increases and date extensions, will be brought to the Board for approval.

These licenses and maintenance agreements are necessary to run the mission-critical systems for El Dorado County. IT has made efforts to negotiate ongoing discounts with our current vendors. Multiple County departments are dependent on these licenses to guarantee the ongoing support that ensures these systems run smoothly. IT manages several sole source hardware maintenance and mainframe software license agreements including the on-going maintenance and support for software product licenses that are used to support data center operations and enterprise applications. The software products include operating systems and sub-systems to support print management, diagnostic and utility software, database management and connectivity software, agenda workflow system, the County financial management system, the HR/Payroll systems, the Property Tax system, and access to the Criminal Justice database through Sacramento County. IT also manages perpetual agreements for Dell network server hardware maintenance and the Avaya telecom infrastructure that are included on the list for approval.

The list also includes one perpetual software license/maintenance contract with Environmental Systems Research Institute, Inc. (ESRI) for the Surveyor's ARC Geographic Information System software. This contract is shared by several County Departments including the Treasurer/Tax Collector, Assessor, Agriculture, Elections, Transportation, Environmental Management, Development Services, Human Services, Health Services, and the Board Office. Board approval authorizes the Surveyor's office to continue with this perpetual maintenance contract, purchase additional licenses as needed and encumber on behalf of or charge departments using licenses for their portion of the expense.

The current Perpetual Software License Agreements list includes the addition of the Megabyte Systems, Inc. agreement for the County's Property Tax Software maintenance and support for 2019-20 forward. The Megabyte Property Tax system is used by multiple County departments, including the Assessor, the Treasurer/Tax Collector, and the Board of Supervisors.

IT is bringing this matter before the Board per Board Policy C-17 and at the recommendation of County Counsel to make the Board aware of agreements that were previously approved by prior and/or current Boards. Since each of the perpetual hardware maintenance and software license agreements has a maintenance component covering one or more years, we are requesting authorization to continue the maintenance and license agreements and initiate payment for the associated hardware and software maintenance for FY 2019-20 and FY 2020-21 as itemized on the attached chart. These perpetual hardware maintenance and software license agreements and their associated maintenance components were entered into at different times over a number of years and therefore do not have co-terminus dates. This is another reason we advise the Board of this matter once each year.

In an attachment to this agenda item, IT is also providing the Board with information regarding some of the non-standard terms in these agreements, as identified by County Counsel, specifically with

regard to fiscal non-appropriation clauses and termination provisions.

Because of the value we receive from these products and the high quality of support we receive from the contracted vendors, IT recommends the continuation of these perpetual agreements and requests approval for the continuation of hardware and software maintenance agreements. A chart detailing the agreements, including the requested dates and approximate annual payment amounts is attached.

ALTERNATIVES

The Board could deny approval of this item and require each individual item to be presented for renewal.

PRIOR BOARD ACTION

Prior year Board approval for perpetual contracts are Legistar Files 18-0027 and 19-0039.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Procurement & Contracts

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

The estimated total cost for one year of all perpetual hardware/software license maintenance agreements is \$2,081,593, plus applicable taxes. Funding is and will be included in each fiscal year budget, including the remainder of FY 2019-20 and Fiscal Year 2020-21 when applicable, to accommodate on-going license and maintenance requirements. Information Technologies is a central service function with costs allocated to other County departments through the annual A-87 Cost Plan. Therefore, a portion of the cost will be recouped from outside funding sources through the A-87 Cost Plan.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

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