



## Legislation Details (With Text)

**File #:** 20-1260      **Version:** 1

**Type:** Agenda Item      **Status:** Approved

**File created:** 9/17/2020      **In control:** Board of Supervisors

**On agenda:** 10/6/2020      **Final action:** 10/6/2020

**Title:** Information Technologies (IT) 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 the Director of IT, or designee, to sign necessary documents to continue the agreements in accordance with the terms of each agreement;  
3) Authorize the Purchasing Agent to encumber funds for the Fiscal Year 2020-21 and Fiscal Year 2021-22 hardware and software maintenance payments required for each perpetual agreement; and  
4) Authorize the Board Chair to sign Amendment I to Contract 3301 for the County's Microsoft Volume Licensing Agreement, recognizing the vendor change from PCMG, Inc. to Insight Public Sector, Inc., as a result of an acquisition and merger transaction.

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

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. A - IT FY 21-22 Perpetual Software License Agreements 10-06-20, 2. B - PCMG AMD I and Original Contract, 3. C - PCMG AMD I Approved Blue Route, 4. Executed Agreement 3301

Date	Ver.	Action By	Action	Result
10/6/2020	1	Board of Supervisors	Approved	Pass

Information Technologies (IT) 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 the Director of IT, or designee, to sign necessary documents to continue the agreements in accordance with the terms of each agreement;  
3) Authorize the Purchasing Agent to encumber funds for the Fiscal Year 2020-21 and Fiscal Year 2021-22 hardware and software maintenance payments required for each perpetual agreement; and  
4) Authorize the Board Chair to sign Amendment I to Contract 3301 for the County's Microsoft Volume Licensing Agreement, recognizing the vendor change from PCMG, Inc. to Insight Public Sector, Inc., as a result of an acquisition and merger transaction.

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

### DISCUSSION / BACKGROUND

The Board is being asked to authorize the continued utilization of all current perpetual hardware maintenance and software license agreements as outlined on the attached chart, dated October 2020, for on-going hardware maintenance and software support for the remainder of Fiscal Year (FY) 2020-21 and Fiscal Year 2021-22. Information Technologies advises and seeks approval from the Board annually to continue these agreements. 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.

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 2020-21 and FY 2021-22 as itemized on the attached chart. These perpetual hardware maintenance and software license agreements and their associated maintenance components were initiated 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.

Additionally, IT is requesting the Board Chair sign Amendment I to Contract 3301 for the County's Microsoft Volume Licensing Agreement, recognizing the vendor change from PCMG, Inc. to Insight Public Sector, Inc., due to an acquisition/merger. Insight Enterprises, Inc. acquired PCMG, Inc. in a merger transaction whereby PCMG, Inc. became a wholly-owned subsidiary of Insight Enterprises, Inc. Insight Public Sector, Inc. is an indirect wholly-owned subsidiary of Insight Enterprises, Inc. and is assuming all of PCMG, Inc.'s duties, responsibilities, and obligations under our Contract 3301. Amendment I recognizes this acquisition/merger transaction and reassignment of duties and

obligations under the existing agreement. No other changes to the Microsoft Enterprise Agreement were made. The original agreement, amendment, and approved blue route are attached as Exhibits B and C.

### **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 IT perpetual contracts are Legistar Files 18-0027, 19-0039, and 19-1379.

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Procurement & Contracts, County Counsel

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **FINANCIAL IMPACT**

The estimated total cost for one year of all perpetual hardware/software license maintenance agreements is \$1,806,865, plus applicable taxes. Funding is and will be included in each fiscal year budget, including the remainder of FY 2020-21 and FY 2021-22 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**

Board Chair to sign two copies of Amendment I to Contract 3301 for the County's Microsoft Volume Licensing Agreement.

Forward one signed copy to Audra Anderson, Chief Administrative Office, Central Fiscal division.

### **STRATEGIC PLAN COMPONENT**

Infrastructure

### **CONTACT**

Tonya Digiorno, Director of Information Technologies