



Legislation Text

File #: 18-0027, **Version:** 1

Information Technologies recommending the Board approve all current perpetual hardware maintenance and software license agreements as outlined on the chart dated January 2018 for on-going hardware maintenance and software support for the remainder of Fiscal Year 2017/18 and Fiscal Year 2018/19. (See attachment A)

FUNDING: General Fund, with cost recovery in future year(s) through the A-87 Cost Plan.

DEPARTMENT RECOMMENDATION

The Board is being asked to approve all current perpetual hardware maintenance and software license agreements as outlined on the chart dated January 2018, for on-going hardware maintenance and software support for the remainder of Fiscal Year 2017-18 and Fiscal Year 2018-19.

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 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 2017-18 and FY 2018-19 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. The County Financial System, the Property Tax System (Assessor, Auditor/Controller, and Treasurer/Tax Collector), the Records' Index and document management system, and the Land Management Information System (Surveyor, Environmental Management, Development Services, Transportation, Assessor and others) are all dependent on these licenses to guarantee the ongoing support that ensures these systems run smoothly.

IT is bringing this matter before the Board per Board Policy C-17 and at the recommendation of County Counsel to make your Board aware of agreements that were previously approved by prior and/or current Boards, and 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 2017-18 and FY 2018-19, 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 your 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.

DISCUSSION / BACKGROUND

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 system, the Recorder's index and document management system, the Land Management Information System (LMIS), the property tax administration system and access to the Criminal Justice database through Sacramento County. IT also manages a perpetual agreement for Dell network server hardware maintenance that is included on the list for approval. IT advises, and seeks approval from the Board annually to continue these agreements.

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, AG, 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 using departments for their portion.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

The estimated cost for one year of perpetual hardware/software license maintenance agreements is \$1,607,820, plus applicable taxes. Funding is and will be included in each fiscal year budget, including the remainder of FY 2017-18 and FY 2018-19 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

N/A

CONTACT

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