



Agenda Item No. 4

To: Finance-Auditing Committee/Committee of the Whole
Meeting of December 15, 2006

From: Bob Haar, Information Systems Director
Teri Mantony, Deputy General Manager, Administration and Development
Joseph M. Wire, Auditor-Controller
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE ISSUANCE OF PURCHASE ORDERS TO CONVERGENT COMPUTING RELATIVE TO CALIFORNIA MULTIPLE AWARD SCHEDULE CONTRACT NO. 3-06-70-1708B, FOR A MULTI-YEAR CONTRACT FOR CONSULTING SERVICES FOR MICROSOFT UPGRADES AND SUPPORT**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize the issuance of purchase orders to Convergent Computing, Oakland, CA, for the provision of consulting services for Microsoft upgrades and support through California Multiple Award Schedule (CMAS) Contract No. 3-06-70,1708B, in a total amount not to exceed \$255,000, for a multi-year contract commencing January 1, 2007, and ending May 31, 2010, with the understanding that sufficient funds in the amount of \$30,000 for the first year of the agreement are available in the FY 06/07 Information Systems Department's Operating Budget, and with the further understanding that future years will be budgeted accordingly.

This matter will be presented to the Board of Directors at its December 15, 2006, meeting for appropriate action.

Summary

To support productivity, District staff uses a variety of Microsoft (MS) software products. These include:

- Desktop operating systems (such as Windows XP)
- Desktop word processing and spreadsheet (MS Office)
- Email (Outlook and Exchange)
- Web browser (Internet Explorer)
- Project management (MS Project)
- Server operating systems (such as Windows 2003)

- Database products (SQL server and MS Access)
- System Management Server (SMS)
- MS Operations Manager (MOM)
- Active Directory (AD)

These products typically have a life expectancy of three to six years before they are no longer supported. This means that in any given year, the District must handle product upgrades to avoid dependence on an unsupported product. District staff has neither the time nor the specialized expertise to research the significant issues involved with the new versions of these products. Consultant services are required to plan, design, train, and assist in the execution of upgrades. In addition, consultant services are required to augment IT staff support services to meet critical deadlines for implementation and maintenance.

The CMAS system is a multiple award schedule based on the Federal General Services Administration model. CMAS offers a wide variety of commodity and information technology products and services at prices that the state has assessed to be fair, reasonable, and competitive. Public Contract Code section 10298 allows the District to take advantage of the CMAS program and receive the same volume pricing, generous discounts, extensive selection of items, and high-quality service that are available to state agencies. By utilizing the CMAS system instead of undertaking an independent procurement process, the District will save considerable time and expense. It is unlikely that a separate District-issued Request for Proposal would yield more favorable pricing or service.

District staff, in consultation with the District's Attorney, has determined that Convergent Computing, which has been awarded a CMAS contract, best meets the District's needs based on their business qualifications and experience on similar projects, which include past experience with the District. Convergent Computing has demonstrated its capabilities in performing the prescribed work and offers a competitive hourly rate.

Staff proposes a multi-year agreement, terminable by the District for cause or convenience. In addition to the state required provisions of the CMAS contract, the purchase orders will include District terms and conditions, as appropriate.

Fiscal Impact

The cost for the 41-month period will not exceed \$255,000. The anticipated cost to be incurred in FY 06/07 will be \$30,000. Consultant services will cost up to \$180,000 for the 41-month period. Additional funds up to \$75,000 are set aside for the 41-month period if the need arises for the consultant to provide crucial services for IT staff. Funds for these services in FY 06/07 are included in the District Division's Information Systems Department's Operating Budget and will be budgeted accordingly in subsequent fiscal years.