PROPOSAL: Authorize Purchase of Maintenance and Support Services for Servers and Storage Devices

SYNOPSIS: The servers and storage devices are used by enterprise-level software applications that currently support the Clean Air Support System for all South Coast AQMD core activities. Maintenance support for these systems will expire on April 30, 2022. This action is to obtain approval for the sole source purchase of hardware and software maintenance and support services for servers and storage devices from Hewlett Packard Enterprise Company for one year, in an amount not to exceed $130,000. Funds for these purchases are included in Information Management’s FY 2021-22 Budget.

COMMITTEE: Administrative, February 11, 2022; Recommended for Approval

RECOMMENDED ACTION:
Authorize the Procurement Manager to purchase one year of maintenance and support services for South Coast AQMD servers and storage devices from Hewlett Packard Enterprise Company at a cost not to exceed $130,000.

Wayne Nastri
Executive Officer

Background
South Coast AQMD uses Hewlett Packard Enterprise Company (HP) servers and storage devices running Windows Server and Linux operating systems. The HP servers support several production applications such as the Clean Air Support System (CLASS), Permit Processing, Finance, Compliance, NSR, Emission Fee Billing, Notice of Violations, Facility Permits, ERS Interim Reports, Subscription Services, Web Servers, PeopleSoft Financial and HCM database, OnBase document management system, Legal system, AQMP Modeling and Telemetry system. Hardware and software maintenance
and support services are required to ensure the continued operation of these programs with minimum interruption. Maintenance and support services for these servers expires on April 30, 2022.

In 2006, the Board approved release of an RFQ to select a vendor capable of providing the most cost-effective hardware and software maintenance and support services for servers. Only one vendor, HP, the company that is currently supporting the agency’s servers, submitted a bid. HP is the sole manufacturer and provider of the hardware and software, and the only source for maintenance support licensing agreements. HP also provides South Coast AQMD with substantial discounts through cooperative agreements.

**Sole Source Justification**
Section VIII.B.2 of the Procurement Policy and Procedure identifies circumstances under which a sole source purchase award may be justified. This request for a sole source award is made under provision VIII.B.2.c(2) and (3). The project involves the use of proprietary technology, and the contractor has ownership of key assets required for project performance. HP is the sole provider of this hardware and software and therefore, the only source for its maintenance and support licensing agreements.

**Proposal**
This action is to purchase one year of maintenance and support services for server hardware and software from HP at a cost not to exceed $130,000.

**Resource Impacts**
Sufficient funds are included in the FY 2021-22 Budget.