

BOARD MEETING DATE: February 2, 2018

AGENDA NO. 11

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

**SYNOPSIS:** The servers and storage devices are used by enterprise-level software applications that currently support the Clean Air Support System for all SCAQMD core activities. Maintenance support for these computers expire on April 30, 2018. 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 Company for one year. Funds (\$120,000) for this expense are included in the FY 2017-18 Budget.

**COMMITTEE:** Administrative, January 12, 2018; Recommended for Approval

**RECOMMENDED ACTION:**

Authorize the Procurement Manager to purchase one year of maintenance and support services for SCAQMD servers and storage devices from Hewlett Packard Company at a cost not to exceed \$120,000, which is allocated in the FY 2017-18 Budget.

Wayne Natri  
Executive Officer

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**Background**

SCAQMD uses Hewlett-Packard (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, Central Stations, PeopleSoft Financial and HCM database, OnBase document management system, JWorks 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 expire on April 30, 2018.

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, Hewlett Packard (HP), the company that is currently support SCAQMD'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 the SCAQMD with substantial discounts through the WSCA (Western States Contracting Alliance) 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) The project involves the use of proprietary technology; and (3) The contractor has ownership of key assets required for project performance. Hewlett Packard Company is the sole provider of this hardware and software and therefore, the only source for its maintenance and support licensing agreements.

### **Proposal**

Staff recommends the purchase of one year of maintenance and support services for server hardware and software from Hewlett Packard Company at a cost not to exceed \$120,000.

### **Resource Impacts**

Sufficient funds are included in the FY 2017-18 Budget.