



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**

Information Services Department

**DATE:** November 17, 2008  
**BOARD MEETING DATE:** December 16, 2008  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors  
**FROM:** Chris Flatmoe, CIO/Director of Information Services  
**SUBJECT:** Issuance of Purchase Orders to International Business Machines

**RECOMMENDATION:**

Adopt a Resolution:

- A. Waiving the Request for Proposal process; and
- B. Authorizing the County Purchasing Agent to issue purchase orders to International Business Machines (IBM) to provide proprietary software licenses and maintenance, hardware maintenance, and support for the term of December 16, 2008, to December 31, 2009, with a total fiscal obligation not to exceed \$500,000.

**VISION ALIGNMENT:**

**Commitment:** Responsive, effective, collaborative government.

**Goal 22:** County and local governments effectively communicate and collaborate in order to develop strategic approaches to issues affecting the entire County.

This purchase order request contributes to this goal by ensuring vendor support for County-wide platforms, including FileNet.

**Performance Measure(s):**

Measure	FY 2007-08 Actual	FY 2008-09 Projected
Percent of IT devices and applications meeting availability goals	99.8	99.8
Number of unplanned, unscheduled major outages	3	3

**BACKGROUND:**

Since 2006 IBM has acquired several companies with which the County has a business relationship, including FileNet, Princeton Softech, CIMS Lab, and Cognos. The County has used applications and platforms from these companies to provide services to County residents, and IBM is now the sole-source provider of licenses and support for these applications and platforms.

**DISCUSSION:**

Prior to the acquisition of these companies by IBM, our intention was to recommend that the Board authorize the County Purchasing Agent to renew the contracts with each vendor. Our recommendation for renewal is based on the ongoing requirement for hardware and software maintenance as well as future enhancement of these applications. Since IBM has acquired these companies, we are now recommending that the Board authorize the County Purchasing Agent to issue purchase orders to IBM for these support and application enhancement services.

We are recommending that the Board waive the Request for Proposal process as IBM is the only vendor able to provide licensure and support for this IBM software and hardware.

County Counsel has reviewed and approved the Resolution as to form. The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination, and equal benefits.

**FISCAL IMPACT:**

The term of these purchase orders is from December 16, 2008, to December 31, 2009. The total obligation for these purchase orders is not to exceed \$500,000. The funding for the Purchase Orders has been included in Information Services Department's (ISD) FY 2008-09 Approved Budget and will be included in the recommended FY 2009-10 Budget.