

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

July 13, 2021

**FROM**

**LARRY AINSWORTH, Chief Information Officer, Innovation and Technology Department**

**SUBJECT**

Contract with International Business Machine Corporation for Enterprise Server Usage, Software Licensing with Support and Professional Services

**RECOMMENDATION(S)**

1. Authorize the Purchasing Agent to issue contract 4400017219 to International Business Machine Corporation for the total not-to-exceed amount of \$4,323,000, for proprietary enterprise server usage, software licensing with support, and professional services from August 1, 2021, through July 23, 2023.
2. Authorize the Chief Information Officer to execute non-substantive amendments with International Business Machine Corporation as they pertain to changes to the proprietary enterprise server usage, software licensing with support, and professional services, subject to review by County Counsel, so long as such documents do not increase the total not-to-exceed amount of \$4,323,000, or change the duration of the contract.
3. Direct the Chief Information Officer to transmit all documents related to proprietary enterprise server usage, software licensing with support, and professional services to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Larry Ainsworth, Chief Information Officer, 388-5501)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

Approval of this contract will not result in the use of Discretionary General Funding (Net County Cost). The not-to-exceed amount of \$4,323,000 will allow the Innovation and Technology Department (ITD) to renew existing, and purchase additional, International Business Machine Corporation (IBM) proprietary enterprise server usage and software licensing with support, and professional services as necessary during the two-year period. The cost for IBM proprietary enterprise server usage, software licensing with support, and professional services is included in the ITD Computer Operations 2021-22 Adopted Budget and will be included in future Recommended Budgets. ITD's operating costs are recovered via service rates approved annually by the Board of Supervisors (Board).

**BACKGROUND INFORMATION**

The ITD Enterprise Infrastructure Division manages multiple enterprise systems including the Enterprise Server, the Enterprise Content Management System and the Enterprise Data Infrastructure (collectively, IBM Systems). These IBM Systems serve many County

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departments and run countywide departmental applications, such as the Jail Information Management System, the Juvenile Network, the Property Information Management System, the Tax Collector Systems, and the Treasurer System. The IBM Systems utilize software licensing and support services only available through IBM. Professional services are required to implement new software products on the Enterprise Server and conduct system health checks, and IBM requires the payment of monthly license charges based on usage of the Enterprise Server.

Since 1997, the Board has approved annual purchase orders and agreements with IBM for ongoing licensing and support for IBM Systems. On July 24, 2018 (Item No. 21), the Board approved non-financial agreements with IBM for the five-year period of July 24, 2018, through July 23, 2023:

- a. Client Relationship Agreement Contract No. 18-523.
- b. IBM Attachment for Mainframe Software Maintenance Contract No. 18-524.
- c. IBM Attachment for Mainframe Monthly License Charge Programs Contract No. 18-525.
- d. Attachment for IBM System z Advanced Entry Workload License Charges Contract No. 18-526.
- e. International Passport Advantage Agreement Contract No. 18-527.
- f. International Agreement for Acquisition of Software Maintenance Contract No. 18-528.
- g. International Program License Agreement Contract No. 18-529.

The terms of the non-financial agreements with IBM govern purchases with and utilization of software licensing, support and professional services from IBM for the five-year period of July 24, 2018, through July 23, 2023. This contract utilizes these previously approved non-financial agreements.

ITD recommends authorizing the Purchasing Agent to issue a contract to IBM for the total not-to-exceed amount of \$4,323,000 to allow the County to remain in compliance with usage and software licensing requirements for IBM Systems and allow ITD to continue to receive support services from IBM.

ITD is recommending the delegation of authority to the Chief Information Officer to execute non-substantive amendments with IBM related to changes to the proprietary enterprise server usage, software licensing with support, and professional services. All non-substantive amendments will be subject to review and approval by County Counsel, and will not result in additional costs to be incurred by the County nor extend the duration of the contract. This delegation of authority is required to prevent project delays related to professional services engagements with IBM. As the project details and technical requirements for each professional services engagement are defined, statements of work or other similar documents that result in non-substantive amendments may be required to be executed. Also, as projects progress, additional requirements or technical corrections may be required, which would require change orders or other similar vendor forms that result in non-substantive amendments to be executed. Without the delegation of authority, new projects could be delayed and projects that are in progress could be halted for an extended period pending approval by the Board.

**PROCUREMENT**

The IBM Systems utilize proprietary IBM software. Licensing and support services for IBM Systems are only available through IBM. The County has made a continuous investment in the

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current IBM Systems and changing to new platforms would not be cost effective at this time. Additionally, the County employs highly trained staff who are experienced with the existing IBM Systems and it would be exceedingly costly and disruptive to retrain staff to manage new platforms at this time. Purchasing concurs with the non-competitive justification for proprietary licensing and support.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Bonnie Uphold, Deputy County Counsel, 387-5455) on June 18, 2021; Purchasing (Michelle Churchill, Supervising Buyer, 387-2070) on June 4, 2021; Finance (Joon Cho, Administrative Analyst, 387-5402) on June 22, 2021; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-5423) on June 24, 2021.

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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Joe Baca, Jr. Seconded: Janice Rutherford  
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Curt Hagman, Joe Baca, Jr.  
Absent: Dawn Rowe

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: July 13, 2021



cc: File - Innovation and Technology  
CCM 07/13/2021