

REQUEST FOR LEGISLATIVE ACTION



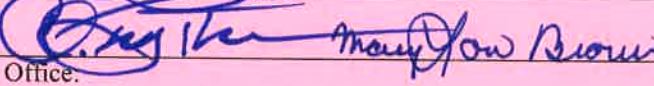
Completed by County Counselor's Office:

Res/Ord No.: 19216

Sponsor(s): Dennis Waits

Date: July 18, 2016

SUBJECT	<p>Action Requested <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Awarding a Twenty-Four Month Term and Supply Contract with Two Twelve Month Options to Extend for the furnishing of Avaya Annual Software and Hardware Maintenance, Services, Monitoring and Upgrades for the County's Voice over Internet (VoIP) System for the Information Technology Department to Arrow Systems of Bloomington, Minnesota under the terms and conditions of Request for Proposal No. 44-16.</u></p>																														
BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Source of funding (name of fund) and account code number:</td> <td></td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input checked="" type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Estimated Use: \$75,598.92</p> <p>Requesting approval by the Legislature of the Term and Supply Contract; the funds were already appropriated through the annual budget adoption. Estimated usage figures are for informational purposes only.</p> <p>Prior Year Budget (if applicable): Prior Year Actual Amount Spent (if applicable):</p>	Amount authorized by this legislation this fiscal year:	\$	Amount previously authorized this fiscal year:	\$	Total amount authorized after this legislative action:	\$	Amount budgeted for this item * (including transfers):	\$	Source of funding (name of fund) and account code number:																					
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PRIOR LEGISLATION	Prior ordinances and (date): Prior resolutions and (date): 18896, July 27, 2015																														
CONTACT INFORMATION	RLA drafted by (name, title, & phone): Barbara Casamento, Purchasing Supervisor, 881-3253																														
REQUEST SUMMARY	<p>The Information Technology Department requires a Term and Supply Contract for the furnishing of Avaya Annual Software and Hardware Maintenance, Services, Monitoring and Upgrades for the County's Voice over Internet (VoIP) System. The Purchasing Department issued Request for Proposal No. 44-16 to meet those requirements.</p> <p>A total of seventeen notifications were distributed and three responses were received and evaluated as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Respondent and Location</th> <th>Responsiveness 10%</th> <th>Qualifications & Experience 40%</th> <th>References 20%</th> <th>Pricing 30%</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Arrow Systems Bloomington, MN</td> <td style="text-align: center;">10</td> <td style="text-align: center;">40</td> <td style="text-align: center;">20</td> <td style="text-align: center;">28</td> <td style="text-align: center;">98</td> </tr> <tr> <td>Converge One Eagan, MN</td> <td style="text-align: center;">10</td> <td style="text-align: center;">36</td> <td style="text-align: center;">20</td> <td style="text-align: center;">30</td> <td style="text-align: center;">96</td> </tr> <tr> <td>SKC Communications Shawnee Mission, KS</td> <td style="text-align: center;">10</td> <td style="text-align: center;">20</td> <td style="text-align: center;">20</td> <td style="text-align: center;">25</td> <td style="text-align: center;">75</td> </tr> </tbody> </table> <p>Pricing for the Software and Hardware Maintenance:</p> <table style="width: 100%;"> <tr> <td>Arrow Systems</td> <td style="text-align: right;">\$75,598.92</td> </tr> <tr> <td>Converge One</td> <td style="text-align: right;">\$73,611.00</td> </tr> <tr> <td>SKC</td> <td style="text-align: right;">\$77,467.63</td> </tr> </table>	Respondent and Location	Responsiveness 10%	Qualifications & Experience 40%	References 20%	Pricing 30%	Total	Arrow Systems Bloomington, MN	10	40	20	28	98	Converge One Eagan, MN	10	36	20	30	96	SKC Communications Shawnee Mission, KS	10	20	20	25	75	Arrow Systems	\$75,598.92	Converge One	\$73,611.00	SKC	\$77,467.63
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	<p>Pursuant to Section 1054.6 of the Jackson County Code, the Director of Finance and Purchasing recommends the award of a Term and Supply Contract for the furnishing of Avaya Annual Software and Hardware Maintenance, Services, Monitoring and Upgrades for the County's Voice over Internet (VoIP) System for the Information Technology Department to Arrow Systems of Bloomington, Minnesota under the terms and conditions of Request for Proposal No. 44-16 as the lowest and best proposal received.</p> <p>The award is made on an "as needed" basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases is subject to annual appropriations.</p>	
CLEARANCE	<input type="checkbox"/> Tax Clearance Completed (Purchasing & Department) N/A <input type="checkbox"/> Business License Verified (Purchasing & Department) N/A <input checked="" type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)	
ATTACHMENTS	Abstract of Bids Received, Award Recommendation from Michael Lear, Assistant Director of the Information Technology Department and the pertinent pages of Arrow Systems' proposal	
REVIEW	Department Director: 	Date: 7/13/2016
	Finance (Budget Approval):  <i>If applicable</i>	Date: 7/13/2016
	Division Manager: 	Date: 7/13/2016
	County Counselor's Office:	Date:

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in ____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance #
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.

Pricing for Maintenance-

Explanation of Maintenance Pricing is as follows:

Jackson requested a 24 month contract. Avaya's Maintenance, comes in 1 year and 3 year options. A 24 month contract can be achieved by canceling on the 24th month. The pricing is linear and as follows:

12 month maintenance coverage contract – \$83,861.60
24 month maintenance coverage contract - \$167,723.32
36 month maintenance coverage contract - \$251,584.80

NOTES ON TERMINATION AND COVERAGE

The customer may terminate Services at any time during the current term upon at least 30 days written notice and shall be subject to payment of: (i) Charges for Support Advantage coverage up to and including the date of termination, and (ii) cancellation fees. Cancellation fees shall be equal to the Support Advantage charges that would otherwise be payable for the affected Support Advantage coverage for the remainder of the year of the term in effect as of the effective date of the termination. The parties agree that the cancellation fees are liquidated damages comprising a reasonable estimate of Avaya's damages in the event of the customer's early termination and are not a penalty. Unless already paid, the cancellation fees shall be immediately due and payable upon cancellation. A refund will be issued for prepaid fees that exceed the cancellation fees. Cancellation fees will be calculated as follows:

- Cancel in Year 1: Full amount of 1st year annual fees to be paid in full.
- Cancel in Year 2: Full amount of 1st and 2nd year annual fees to be paid in full.
- Cancel in Year 3: Full amount of 1st, 2nd and 3rd year annual fees to be paid in full.

A recast from Preferred Support to Essential Support will result in cancellation fees on the Preferred Support agreement.

A site by site breakdown is on the following page (Page 8). Arrow SI can provide more detail if requested.

Contacts:

Jackson County Tom Hackett (952) 456-3349
 Kevin Reed (952) 456-3122

Maintenance R5
 SA Parts, 8x5, NBD



Site by Site Breakdown

Sold to	Description	Hardware Maintenance	Software Maintenance	Total
4241967	Courthouse	\$ 13,709.04	\$ 51,688.80	\$ 65,397.84
5128944	3100 Main	\$ 497.64	\$ -	\$ 497.64
5128946	Prosecutor Office	\$ 497.64	\$ -	\$ 497.64
5128948	Corrections	\$ 983.40	\$ 58.08	\$ 1,041.48
5128949	Court IT	\$ 983.40	\$ 58.08	\$ 1,041.48
5128950	Court House Annex	\$ 983.40	\$ 58.08	\$ 1,041.48
5128957	Eastern Office	\$ 497.64	\$ -	\$ 497.64
5129023	Family Court	\$ 983.40	\$ 58.08	\$ 1,041.48
5129025	Fam_Support	\$ 497.64	\$ -	\$ 497.64
5129026	Fort Osage	\$ 497.64	\$ -	\$ 497.64
5129027	Hilltop School	\$ 592.44	\$ -	\$ 592.44
5129029	Legis East	\$ 888.60	\$ 58.08	\$ 946.68
5129031	Old Sheriff	\$ 888.60	\$ 58.08	\$ 946.68
5129033	Kemp Bldg	\$ 497.64	\$ -	\$ 497.64
5129034	Golf Course	\$ 497.64	\$ -	\$ 497.64
5129036	Med_Exam	\$ 888.60	\$ 58.08	\$ 946.68
5129037	Parks Admin	\$ 888.60	\$ 58.08	\$ 946.68
5129039	PW_Admin	\$ 2,049.84	\$ -	\$ 2,049.84
5129040	PW_VSC	\$ 888.60	\$ 58.08	\$ 946.68
5129044	Records Cave	\$ 497.64	\$ -	\$ 497.64
5129281	Parks Annex	\$ 497.64	\$ -	\$ 497.64
5129282	Parks VSC	\$ 497.64	\$ -	\$ 497.64
5214542	Truman Court House	\$ 983.40	\$ 58.08	\$ 1,041.48
51393368	Sheriff_Office	\$ 983.40	\$ 58.08	\$ 1,041.48
TOTALS		\$ 31,671.12	\$ 52,327.68	\$ 83,998.80

Arrow Systems Integration, Inc. dba
 Shared Solutions and Services, Inc.

DUNS: 132092305

Discount Amount \$ 8,399.88

CAGE: 0F6B8 [starts with zero]

Tax ID: 33-1009098

Final Maintenance Pricing \$ **75,598.92**

GSA Schedule: GS-35F-0025M

Single Point of Contact with Vendor Management OPEN non-GSA (SPOC) \$ 8,262.68

TOTAL SALE PRICE \$ 83,861.60

ABSTRACT OF BIDS

ITB: 44-16

DATE: 07/05/16

COMMODITY: Avaya Maintenance

NO	DESCRIPTION	UNIT	QTY	SKC		Arrow S3		ConvergeOne		AMOUNT	
				AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT		

	see bid				see bid						
					see bid						
					see bid						
					see bid						

CERTIFICATION OF BID OPENING
 BIDS WERE PUBLICLY
 OPENED AND RECORDED
 ON: July 5, 2016 BY [Signature]
 CLERK OF THE LEGISLATURE
[Signature]
 PURCHASING

Res. 19216