



**SUPPLEMENTAL AGENDA ITEM  
AGENDA STAFF REPORT**

S62A

ASR Control

**MEETING DATE:** 12/15/09  
**LEGAL ENTITY TAKING ACTION:** Board of Supervisors  
**BOARD OF SUPERVISORS DISTRICT(S):** All Districts  
**SUBMITTING AGENCY/DEPARTMENT:** Sheriff-Coroner  
**DEPARTMENT CONTACT PERSON(S):** Dean Gialamas (714) 834-6380  
 Sima Nassiri (714) 834-4045

2009 DEC 10 PM 2:25  
 CLERK OF THE BOARD  
 OF ORANGE COUNTY  
 BOARD OF SUPERVISORS

**SUBJECT:** Amendment to Contract with Computer Deductions, Inc. for Unisys Mainframe

CEO CONCUR

COUNTY COUNSEL REVIEW

CLERK OF THE BOARD  
Discussion

**Budgeted:** Yes                      **Current Year Cost:** \$100,000                      **Annual Cost:** N/A  
**Staffing Impact:** No                      **# of Positions:**                      **Sole Source:** No  
**Current Fiscal Year Revenue:** N/A  
**Funding Source:** Proposition 172: 60%, OCATS: 40%

**Prior Board Action:** 12/8/09, Approve Contract with Computer Deductions, Inc.

**RECOMMENDED ACTION(S)**

Approve and authorize the Purchasing Agent or designee to issue an amendment to five-year purchase contract MA-060-10011659 with Computer Deductions, Inc., to provide maintenance and software license services for the Sheriff-Coroner's Unisys Dorado 140 mainframe computer for a period of two months (1/1/10 through 2/28/10) in an amount not to exceed \$100,000, for a revised total five-year contract amount not to exceed \$2,264,853.

**SUMMARY:**

The Sheriff-Coroner requests approval of an amendment to the contract with Computer Deductions, Inc. to provide maintenance and software license services for the Sheriff-Coroner's existing Unisys Dorado 140 mainframe computer for two months to allow for a transition period for the new Unisys Dorado 4080 mainframe computer to become fully operational.

**BACKGROUND INFORMATION:**

The Sheriff-Coroner Department utilizes a mainframe computer for several databases, which connect to over 4,000 Sheriff-Coroner Department users and almost 50 law enforcement entities within Orange County. This translates to peaks of over 450,000 transactions per day. The Sheriff-Coroner Department utilizes a Unisys platform, and all the application software is designed to run on that platform. The Department's current Unisys Dorado 140 mainframe computer was purchased in 2004 with a five-year agreement for hardware/software maintenance and software licensing, which will expire on December 31,

2009. The Unisys Dorado 140 model is approaching the end of its useful life and will soon become obsolete.

The Sheriff-Coroner Department negotiated a proposed purchase contract with Unisys Corporation for purchase of a new Unisys Dorado 4080 mainframe computer mainframe and submitted it for approval by the Board at the November 3, 2009 meeting. Approval of the contract at that time would have provided sufficient time for the transitioning of the old mainframe computer operations to the new mainframe computer, estimated to take up to eight weeks. However, because the vendor refused to accept the County's standard terms and conditions, putting the County at potential financial risk, the CEO and County Counsel did not recommend approval of the contract. At the November 3, 2009 meeting the Board directed the CEO and Sheriff-Coroner to investigate alternatives to the proposed Unisys Corporation contract and continued the item until the December 8, 2009 meeting.

The CEO and the Sheriff-Coroner prepared and issued an Invitation for Bid for a Unisys Dorado 4080 mainframe computer system, including software/maintenance for five years, and were successful in obtaining a responsive and responsible bid from a different vendor, Computer Deductions, Inc.(CDI), who agreed to the County's standard terms and conditions.

On December 8, 2009, your Board approved the purchase of a Unisys Dorado 4080 mainframe computer from CDI. In order to transition from the existing mainframe computer to the new computer, a period of up to eight weeks is necessary during which both the old and the new mainframe computers are operational. Because five weeks have passed since the proposed Unisys mainframe computer purchase contract was first presented to the Board on November 3, the required transition time period will now extend beyond the December 31 expiration date of the previous agreement with Unisys Coporation for maintenance and software of the existing computer. Therefore an amendment to the purchase contract with CDI has been negotiated to add the provision of maintenance and software licensing services for the existing computer for a period of two months. This amendment is now presented to the Board for approval.

The amendment is available for review in the office of the Clerk of the Board.

**FINANCIAL IMPACT:**

Funding is available for this amendment in the FY 2009-10 budgets for OCATS (13R) and Sheriff-Coroner (060), as a result of deferring several Information Technology projects that were included in the Sheriff-Coroner (060) budget.

At the December 8, 2009 Board meeting the Board directed the Sheriff-Coroner to provide the actual cost of the new agreement with Computer Deductions, Inc. along with the cost to continue the maintenance and software licensing of the existing mainframe computer for one to three months until the new system is operational. The amount of the agreement along with the proposed amendment to continue the maintenance and software licensing of the existing mainframe computer for two months totals \$2,264,853.

**STAFFING IMPACT:**

**REVIEWING AGENCIES:**

**EXHIBIT(S):**

**ATTACHMENT(S):**

**AMENDMENT NUMBER ONE  
TO  
AGREEMENT MA-060-10011659  
BETWEEN THE  
COUNTY OF ORANGE  
AND  
COMPUTER DEDUCTIONS, INC.**

This **AMENDMENT NUMBER ONE** to Contract number MA-060-10011659 (hereinafter "**AMENDMENT NUMBER ONE**") between the County of Orange, a political subdivision of the state of California (hereinafter "**COUNTY**") and **Computer Deductions, Inc.** (hereinafter "**CONTRACTOR**") with a place of business at 8680 Greenback Lane, Suite 210, Orangevale, CA 95662 is made and entered upon execution of all necessary signatures. **CONTRACTOR** and **COUNTY** may be referred to individually as "**Party**" or collectively as "**Parties.**"

**WITNESSETH:**

**WHEREAS, COUNTY** and **CONTRACTOR** executed Contract MA-060-10011659 for Purchase of a Unisys Dorado 4080 Mainframe Computer including Hardware/Software Maintenance (hereinafter "**ORIGINAL AGREEMENT**") for a one (1) year term of December 8, 2009 through December 7, 2010 (renewable for four (4) additional one (1) year terms);

**WHEREAS, COUNTY** and **CONTRACTOR** desire to amend **ORIGINAL AGREEMENT** to change year one payment terms to Net15, increase the year one contract amount by \$100,000, and add transition maintenance/license and fees for County's existing Unisys Mainframe;

**NOW THEREFORE**, in consideration of the mutual obligations set forth herein, the **COUNTY** and **CONTRACTOR** agree as follows:

1. **ARTICLES**

- a. Page 14, Attachment A - Scope of Work, of the **ORIGINAL AGREEMENT** is amended to add Interim Maintenance/License as section 6.0 herein as follows:
  - 1. **Section 6.0: Interim Maintenance/License**  
Contractor shall provide two months of Interim Maintenance/License for County's existing Unisys Mainframe. This interim period shall be for the term of January 1, 2010 through and including February 28, 2010.

- b. Page(s) 16-17, Attachment B - Pricing, of the ORIGINAL AGREEMENT is amended to add Interim Maintenance/License as Item # 11 and increase the Contract not-to-exceed amount as follows:

1. Item # 11: Payable in Advance	
Interim: Maintenance/ License	\$100,000.00
Proposal Total:	\$2,264,852.50

- c. Page 18, Attachment C – Compensation and Pricing Provisions, Section 2 – Payment Terms, of the ORIGINAL AGREEMENT is amended in its entirety as follows:

1. **Section 2: Payment Terms**

Invoices are to be submitted in arrears, unless otherwise directed in this Contract, upon satisfactory completion and acceptance of commodity/services in accordance with Paragraph F, Acceptance/Payment.

Contractor shall reference Contract number on invoice(s). Payment(s) for all items for year one will be net 15 days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by the agency/department and subject to routine processing requirements. Payment(s) for all items for years two through five of this Contract will be net 30 days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.

Billing shall cover services and/or goods not previously invoiced. The Contractor shall reimburse the County of Orange for any monies paid to the Contractor for goods or services not provided or when goods or services do not meet the Contract requirements. Payments made by the county shall not preclude the right of the County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the goods or services.

2. The maximum County obligation under AMENDMENT NUMBER ONE (Contract Number MA-060-10011659) shall not exceed \$2,264,852.50.
3. A true and correct copy of the ORIGINAL AGREEMENT (Contract Number MA-060-10011659) is attached hereto as Exhibit A and incorporated by this reference.
4. All other provisions of the ORIGINAL AGREEMENT, except as amended herein and to the extent they are not inconsistent with this AMENDMENT NUMBER ONE, remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties have executed AMENDMENT NUMBER ONE.

\*Contractor: Computer Deductions, Inc.

By: [Signature] Title: Vice President  
Print Name: Thomas J. Calabro Date: December 09, 2009

\*Contractor: Computer Deductions, Inc.

By: [Signature] Title: Vice President, Treasurer  
Print Name: Donald G. Foulk Date: December 09, 2009

\*If a corporation, the document must be signed by two corporate officers. The first signature must be either the Chairman of the Board, President, or any Vice President. The second signature must be the secretary, an assistant secretary, the Chief Financial Officer, or any assistant treasurers.

County Of Orange

A political subdivision of the State of California

By: \_\_\_\_\_ Title: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by the Board of Supervisors on: \_\_\_\_\_

APPROVED AS TO FORM  
OFFICE OF THE COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

By: [Signature] Deputy  
Date: 12-10-09

**Exhibit A**

**ORIGINAL AGREEMENT (Contract Number MA-060-10011659)**