

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
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Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 3/17/03
Department Name: Social Services
Department No.: 044
Agenda Date: 4/22/03
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Charlene A. Chase, Director
Social Services Department

STAFF CONTACT: Jack Williams
X8357

SUBJECT: Award a Sole Source Contract to NEC Business Network Solutions, Inc to Acquire Local Area Network (LAN) Communications Equipment and Devices to Construct the Santa Barbara County CalWIN Network.

Recommendation(s):

That the Board of Supervisors:

1. Authorize the Purchasing Agent to execute a sole source contract with NEC Business Network Solutions, Inc, a local vendor, to acquire CalWIN Network equipment in the amount of \$286,072.30.
2. Approve Debt Advisory Committee (DAC) recommended financing option to use California Communities lease financing of \$ 656,084 for five years at 3.24% interest. Direct Auditor-Controller and Treasurer-Tax Collector to execute the financing documents.
3. Approve the attached Budget Revision Request, BJE 2003988, to decrease federal revenue and increase proceeds from long term debt in the amount of \$656,084.00.

Alignment with Board Strategic Plan:

Development of CalWIN is primarily aligned with the Board's strategic plan goals numbers 1: Efficient Government – An efficient government able to anticipate and respond effectively to the needs of the community; and 7: Families and Children – A community that fosters the safety and well-being of families and children.

Executive Summary and Discussion:

On November 23, 1999, the Department of Social Services requested and received approval from the Board of Supervisors to move forward with replacing the Department's existing welfare data system, California Welfare Case Data System (WCDS) with a new California Welfare Information Network (CalWIN) in conjunction with a Consortium of 18 other California counties. The WCDS system is over 30 years old and operates on antiquated technology. This old technology coupled with exiting business processes has not allowed DSS to:

1. Maximize participation in CalWORKs;
2. Improve the quality of employment and benefit services;
3. Increase health insurance coverage for client families;
4. Reduce the number of hungry families; and
5. Improve Safety Net services.

The CalWIN system will help DSS obtain those goals. It is based on new technology that requires numerous computer and data transmission upgrades. It is designed as Client/Server architecture that requires new LAN and Wide Area Network (WAN) infrastructure to allow local users to interact quickly and efficiently with centralized Welfare databases in the Sacramento area.

A sole source contract is requested because NEC is a Santa Barbara County business partner that supplies the entire county organization with LAN/WAN and other telecommunications equipment. It is absolutely imperative that they use their expertise to ensure the new LAN/WAN equipment is completely compatible with both the County's LAN and the CalWIN Network. CalWIN will be required to accept data from out-stationed offices and other county departments via the Santa Barbara County LAN and simultaneously be able to provide a full-range of Client/Server services for hundreds of DSS workers from the CalWIN database in Sacramento. No other vendor has the expertise or operational insight to ensure the new CalWIN LAN/WAN equipment is compatible with the County Network and still meets the specifications of the CalWIN architecture. NEC's business relationship with the County ensures they are able to offer identical network equipment as the CalWIN Consortium Network Design partner at much lower prices. NEC prices are also lower than what Santa Barbara County could obtain if the equipment were to be purchased directly from the manufacturer.

Mandates and Service Levels:

Participation in CalWIN is State and Federally mandated and required by Chapter 303 of the California State Budget Act of 1995. That document contains directive language assigning Counties the responsibility for development and implementation of welfare systems that would form part of the Statewide Automated Welfare System (SAWS) structure. The Act required Counties to form up to four consortia for carrying out this responsibility.

Fiscal and Facilities Impacts:

Appropriations for this contract were included in the approved FY 2002/2003 Budget; however, a budget adjustment to reflect the receipt of proceeds from long term debt rather than federal revenue is needed. The Department of Social Services filed this budget adjustment along with this board letter. This contract along with the remaining proceeds from this lease, including interest, will be reimbursed using normal reimbursement ratios: Federal/State (95%) and County (5%), over a five year period. The 5% county share

will be absorbed by the Department and there will be no additional impact to the County general fund. According to the OMB A-87, interest is only claimable to the Federal government if financing is provided by a bona fide third party. This financing arrangement will qualify for reimbursement under the Federal regulation.

The Debt Advisory Committee (DAC) recommends financing the required CalWin equipment using California Communities lease financing of \$656,084 for five years at 3.24% interest. Installments have been requested to be paid quarterly in order to coincide with claiming rules from the State.

The remainder of the lease funds will be used to acquire hardware and software from the CalWIN Consortium vendor, Electronic Data Systems (received approval from the Board of Supervisors on 11/23/99), and other sources this Fiscal Year. A complete list of all hardware and software to be purchased with these funds is attached.

The appropriation for this contract, as well as the rest of our CalWin project, is included within the CalWin cost center of the Self-Sufficiency Division shown on page D208 of the budget.

Special Instructions:

After execution by the Chair, please return one (1) copy of the minute order to Social Services, attention: Hilary Yost and one (1) certified copy of the minute order to General Services, Purchasing Agent.

Concurrence:

Auditor-Controller
General Services, Purchasing
County Counsel
Debt Advisory Committee

CalWIN Harware and Software

Amortized

Amortized Hardware	Vendor	Amount
Vendor Provided Hardware		
Servers, POP	EDS	\$93,680.98
Vendor Mandatory report prtr	EDS	\$22,658.00
Total Vendor provided		
Vendor provided allocation		
County Optional hardware		
Network Hardware	NEC	\$268,072.30
Golden workstation	EDS	\$1,484.63
UDS 45 PPM Printers	EDS	\$24,445.48
CIS Server	Compuwave	\$127,000.00
Backup hardware for CIS Server	Compuwave	\$30,000.00
Subtotal County provided hardware		
Amortized Software		
Vendor Provided Software		
Business Objects for Reporting Server	EDS	\$9,542.23
Business Objects for CIS Server	EDS	\$7,254.23
Subtotal Vendor provided software		
County Provided Software		
BO Reporter/Infoview for Reports Server	EDS	\$3,413.32
BO Reporter/Infoview for CIS Server	EDS	\$3,382.50
Oracle for CIS Server	Oracle	\$44,100.00
Operating System for CIS Server	Compuwave	\$16,200.00
Backup Software for CIS Server	Compuwave	\$4,850.00
Subtotal County provided software		
Total Amortized hardware and Software		\$656,083.67