

AGENDA ITEM

NOVEMBER 702
Contract Approvals

DATE: November 3, 2010
TO: Members, Board Operations Committee
Members, Board of Governors
FROM: Information Technology
SUBJECT: Contract Approval

EXECUTIVE SUMMARY

Under Board Policy, Tab 17 [Control Policies & Procedures], Article 3 [Contracts], Section 2 [Authority], contracts in excess of \$75,000 involving consulting services, capital equipment, or technology purchases must be authorized by the Board of Governors. Authority is sought here to proceed with the contracts described in this item.

BACKGROUND & GOVERNING AUTHORITIES

Tab 17 [Control Policies & Procedures], Article 3 [Contracts], Section 2 [Authority] of the Board's Policy Book states as follows:

"No contracts or consulting services, capital equipment, or technology purchases exceeding \$75,000 may be entered into, by or on behalf of the State Bar unless authorized by the Board of Governors. Any future amendments to a contract originally below the \$75,000 threshold that will result in bringing the total contract amount to this level will also require Board approval."

Exempted are those contracts associated with the normal operations of the Bar including but not limited to site agreements, Admissions consultants, IOLTA and Equal Access grant distributions, and other routine contracted services exceeding \$75,000.

"Also exempted are cases of emergency where purchases necessary for the immediate preservation of the public health, welfare or safety, or protection of State Bar employees or property provided the details justifying an emergency contract and other supporting documentation being reported to the Board at its next schedule meeting."

This policy was recently adopted as amended by the Board of Governors at its March, 2010 meeting.

Authority is sought to proceed with the State Bar's regular Procurement Process on the following contract that is governed by the above policy:

I. Network Carrier Migration Project

This contract is for replacing the carrier who currently provides the San Francisco office with Internet access.

Level 3 via Top Speed Data (broker) provides this service. The service is a Digital Signal 3 (DS3), which is a 45 Megabits per second (Mbps) data circuit, and Internet Services Provider (ISP). The contract expired but allows for month-to-month continuance.

Without a contract, the bar pays higher monthly rates, has no guarantee on service levels, and no recourse should the provider experience any significant network outage or service disruption. Since contract expiration, the vendor has increased the cost of the service more than \$10,000 annually. To remedy this, IT worked with Procurement to issue an RFP for the replacement of the service. Multiple carriers responded. An evaluation team assessed and rated those responses and selected a winning bidder.

The vendor chosen was Intelletrace utilizing Level 3's network for a DS3 circuit and Internet Services. This choice provides the bar with the same service as that in use today. Traffic studies indicate that this is sufficient to support the San Francisco offices Internet demand for the foreseeable future.

The contract will be for a 3-year term with a 1-year option to renew. Authority is sought to proceed with the State Bar's regular Procurement Process on obtaining the services described above.

CONCLUSION

Authority to proceed with the ISP RFP award is requested. Upon approval, contract negotiation will begin with installation orders to follow. Upon completion, the bar will be in a better position to hold the carrier to their contracted service guarantees should any problems arise. The total 4-year cost is \$131,760, and the bar will save a total of \$98,000 over the 4-year term of the contract. It is recommended that the Board authorize the bar to proceed with this procurement.

RECOMMENDATION

Authority to proceed with the contracts is requested. If the Board Committee and Board agree, adoption of the resolution below is recommended

FISCAL / PERSONNEL IMPACT:

The personnel and budget impact is as set forth in the item.

RULE AMENDMENTS:

None.

BOARD BOOK/ ADMINISTRATIVE MANUAL IMPACT:

None.

PROPOSED BOARD COMMITTEE RESOLUTION

RESOLVED, that the Board Operations Committee, authorizes staff to proceed with the contracts identified in the item before the committee this date, within the parameters set forth.

PROPOSED BOARD RESOLUTION:

Should the Board concur with the board committee's recommendation, the following resolution would be in order:

RESOLVED, that upon the recommendation of the Board Operations Committee, the Board of Governors authorizes staff to proceed with the contract identified in the item before the Board this date, within the parameters set forth.