

BOARD MEETING DATE: March 7, 2025

AGENDA NO. 3

**PROPOSAL:** Authorize Purchase of Hardware Maintenance and Support Services for Servers and Storage Devices

**SYNOPSIS:** Servers and storage devices are used by enterprise-level software applications that currently support the Clean Air Support System, a set of computer applications used in South Coast AQMD core activities. Maintenance support for these systems will expire on April 30, 2025. This action is to obtain approval for the sole source purchase of hardware and software maintenance and support services for servers and storage devices from Hewlett Packard Enterprise Company for one year, in an amount not to exceed \$190,000. Funds for these purchases are included in Information Management's FY 2024-25 Budget.

**COMMITTEE:** Administrative, February 14, 2025; Recommended for Approval

**RECOMMENDED ACTION:**

Authorize the Procurement Manager to purchase one year of maintenance and support services for South Coast AQMD servers and storage devices from Hewlett Packard Enterprise Company at a cost not to exceed \$190,000.

Wayne Nastri  
Executive Officer

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**Background**

South Coast AQMD uses Hewlett-Packard Enterprise Company (HPE) servers and storage devices running Windows Server and Linux operating systems. The HPE servers support several production applications such as the Clean Air Support System (Applications for Permit Processing, Finance, Compliance, New Source Review, Emission Fee Billing, Notice of Violations, and Facility Permits), RECLAIM Electronic Reporting System Interim Reports, Subscription Services, Web Servers, PeopleSoft Financial and Human Capital Management database, OnBase document management

system, Legal system, AQMP Modeling, and Telemetry system. Hardware and software maintenance and support services are required to ensure the continued operation of these programs with minimum interruption. Maintenance and support services for these servers expire on April 30, 2025.

HPE is the sole manufacturer and provider of the hardware and software, and the only source for maintenance support licensing agreements. HPE also provides South Coast AQMD with substantial discounts through cooperative agreements.

**Sole Source Justification**

Section VIII.B.2 of the Procurement Policy and Procedure identifies circumstances under which a sole source purchase award may be justified. This request for a sole source award is made under provision VIII.B.2.c(2) and (3). The project involves the use of proprietary technology, and the contractor has ownership of key assets required for project performance. HPE is the sole provider of this hardware and software and therefore, the only source for its maintenance and support licensing agreements.

**Proposal**

Staff recommends the purchase of one year of maintenance and support services for server hardware and software from HPE at a cost not to exceed \$190,000.

**Resource Impacts**

Sufficient funds are included in Information Management’s FY 2024-25 Budget.