



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 13-212, **Version:** 1

- a. Authorize the Contracts/Purchasing Officer to sign the attached License Agreement with PerkinElmer Health Sciences, Inc. for software maintenance services; and
- b. Authorize the Contracts/Purchasing Officer to approve up to three future amendments to this Agreement where the amendments do not exceed ten percent (10%) of the original amount and do not significantly change the scope of work or result in an increase to net County costs.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Contracts/Purchasing Officer to sign the attached License Agreement with PerkinElmer Health Sciences, Inc. for software maintenance services; and,
- b. Authorize the Contracts/Purchasing Officer to approve up to three future amendments to this Agreement where the amendments do not exceed ten percent (10%) of the original amount and do not significantly change the scope of work or result in an increase to net County costs.

SUMMARY:

The Health Department is seeking to enter into a software maintenance agreement with PerkinElmer Health Sciences, Inc. (PerkinElmer) effective July 1, 2013 to November 1, 2015, at a cost of \$45,398. Up to \$33,932 will be expended in FY2013-2014. Maintenance renewal through November 2014 will be \$22,932. Additional funds may be expended if services are required.

DISCUSSION:

The Health Department has been using a product from PerkinElmer, LabWorks Laboratory Information Management System (LIMS), since 2000. We have had a successful and trouble free professional relationship with PerkinElmer for over 13 years. When the Health Department went to renew PerkinElmer's software maintenance services associated with LIMS, it was discovered that there was not a current agreement in place between the County and PerkinElmer. In order to be compliant with County policy, the Health Department negotiated the attached Agreement.

This Agreement entitles the Health Department to receive software updates, as new versions are released by PerkinElmer, and support services through their helpdesk and remote assistance programs.

While less than \$100,000 total value, we are asking the Board's approval because the Agreement contains non-standard language for insurance and indemnification. It is very common in software license agreements for the vendor to require protections that deviate from County standard indemnification language, yet Health successfully negotiated some improved terms favorable to the County as to indemnification. Further, the maintenance and support services provided hereunder will be performed remotely; the vendor will not be on site. Therefore, the insurance requirements were amended.

As previously stated, Health has had a successful relationship with this vendor for over 13 years. We have every expectation that we will continue to work effectively with this vendor without risk to the County.

The Agreement is retroactive to July 1, 2013. There were delays in negotiating mutually acceptable terms with the vendor. PerkinElmer was working on the basis that the County was already bound by the license agreement because of our use of their software, and it took several weeks to help them understand that a more formal agreement was needed in order to process the maintenance renewal for payment. It took several more weeks to negotiate the terms, with the assistance of County Counsel.

OTHER AGENCY INVOLVEMENT:

County Counsel and the Auditor-Controller have reviewed this Agreement as to legal form and legality and fiscal provisions respectively. Due to late submission of this Board Report, the CAO Budget and Analysis Division was not provided adequate time to fully review for potential fiscal, organizational, policy, or other implications to the County of Monterey. Exhibit A License Agreement is on file with the Clerk of the Board.

FINANCING:

This request is included in Health Department's FY2013-2014 Adopted Budget, 4000-HEA003, and is funded by fees collected from testing services performed by the Public Health Laboratory.

Prepared by: John Maddock, DISM II, 4531

Approved by: Ray Bullick, Director of Health, 4526

Attachments:

Exhibit A - License Agreement - PerkinElmer Health Sciences, Inc. is on file with the Clerk of the Board.