

*Internal Memorandum*

Date: 05/25/2021

To: Lonnie Robbins, Chief Administrative Officer
Department of County AdministrationFrom: Brandee Ganz, Director
Department of Technology and Communication ServicesDocuSigned by:
*Brandee Ganz*Subject: Written Testimony for Legislation
New Multi-Year Agreement with ePlus Technology, Inc.
for Cisco SmartNet Enhanced Maintenance Support

The County's existing Cisco SmartNet EMS agreement expires in October 2021. To provide cost savings to the County, it is advantageous that we enter into a multi-year agreement with ePlus Technology, Inc. The agreement term will be for 3 years (annual costs detailed below). We have an existing Cooperative Purchase with ePlus: Howard County Agreement PA-105-2019.

Manufacturer hardware and software support for Cisco devices is called Cisco SmartNet. Support services are required for networking devices in production (firewalls, routers, switches, phones, servers, and telephones). Hardware support is necessary for the timely replacement of failed hardware. Software support is required for the necessary software updates and security patches released by the manufacturer.

Cisco SmartNet support is critical to County operations. The County network operates almost exclusively on over 500 Cisco networking devices. Should a networking device fail, Cisco support enables DTCS to open a Technical Assistance Case (TAC). The Cisco TAC will send a replacement device to replace failed hardware that is covered by SmartNet. Software support allows the firmware for the networking devices to be upgraded as security vulnerabilities are frequently addressed in updated firmware releases.

The attached spreadsheet shows the estimated cost savings. Annual payments on the proposed three-year agreement are \$658,258.83. Historically, annual payments with no agreement in place have increased each year. By entering into a multi-year agreement, we project that the County will save \$419,600.51 in support costs.

Project	Fiscal Year	Cost w/ multi-yr agmt.	Cost w/out multi-yr agmt.	Savings
1 – Year 1	2022	\$658,258.83	\$740,955.55	\$82,696.72
2 – Year 2	2023	\$658,258.83	\$796,726.40	\$138,467.57
3 – Year 3	2024	\$658,258.83	\$856,695.05	\$198,436.22
Totals:		\$1,974,776.49	\$2,394,377.00	\$419,600.51

Howard County Annual Cisco EMS Estimated Pricing

ePlus Cisco EMS Annual Renewal	Start Date	End Date	Price
ePlus Cisco EMS Renewal - Year 1	1-Nov-2021	31-Oct-2022	\$740,955.55
ePlus Cisco EMS Renewal - Year 2	1-Nov-2022	31-Oct-2023	\$796,726.40
ePlus Cisco EMS Renewal - Year 3	1-Nov-2023	31-Oct-2024	\$856,695.05
		Total	\$2,394,377.00

ePlus Cisco EMS 3 YR Renewal Paid Annually	Start Date	End Date	Price
ePlus Cisco EMS 3 YR Renewal - 1st payment	1-Nov-2021	31-Oct-2022	\$658,258.83
ePlus Cisco EMS 3 YR Renewal - 2nd payment	1-Nov-2022	31-Oct-2023	\$658,258.83
ePlus Cisco EMS 3 YR Renewal - 3rd payment	1-Nov-2023	31-Oct-2024	\$658,258.83
		Total	\$1,974,776.49

Total savings over 3 years \$419,600.51