



Internal Memorandum

Date: 02/28/2022 – updated 04/08/2022

To: Lonnie Robbins, Chief Administrative Officer
Department of County Administration

From: Brandee Ganz, Director *BG*
Department of Technology and Communication Services

Subject: Written Testimony for Legislation
New Multi-Year Agreement with ePlus Technology, Inc.
For Cisco DNA ELA

The County has identified a need for a digital network architecture center. 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 5 years (annual costs detailed below). We have an existing Cooperative Purchase with ePlus: Howard County Agreement PA-003-2022.

Cisco is adopting a Digital Network Architecture model. As such, the licensing model will change for the networking equipment used throughout the County. The Digital Network Architecture Center will track and inventory the new licensing model currently being implemented through the county.

The County currently uses over 500 Cisco networking devices throughout the county. Licensing is required for the manufacturer’s support of the Cisco networking devices.

The below table shows the estimated cost savings. Annual payments on the proposed five-year agreement are \$441,136.87. Historically, annual payments with no agreement in place have increased substantially each year. By entering into a multi-year agreement, we project that the County will save \$919,274.65 in support costs.

Project	Fiscal Year	Cost w/ multi-yr agmt.	Cost w/out multi-yr agmt.	Savings
1 – Year 1	2023	\$441,136.87	\$624,991.80	\$183,854.93
2 – Year 2	2024	\$441,136.87	\$624,991.80	\$183,854.93
3 – Year 3	2025	\$441,136.87	\$624,991.80	\$183,854.93
4 – Year 4	2026	\$441,136.87	\$624,991.80	\$183,854.93
5 – Year 5	2027	\$441,136.87	\$624,991.80	\$183,854.93
Totals:		\$2,205,684.35	\$3,124,959	\$919,274.65

*PLEASE NOTE THAT THE COST W/OUT MULTI-YR AGMT. AMOUNTS DO NOT TAKE INTO ACCOUNT ROUTINE ANNUAL PRICE INCREASES, WHICH ARE VERY SIGNIFICANT AND COULD BE UPWARDS OF 20% + EACH YEAR ON TOP OF WHAT IS LISTED ABOVE.