

MEMORANDUM

TO: Governing Board Members

FROM: Sandra Close Turnquest, Deputy Executive Director, Corporate Resources

DATE: December 13, 2007

SUBJECT: Harris Stratex Networks, Inc. Waiver of Competition for Microwave Equipment and Services (Purchase Requisition #10037271)

Background

This Waiver of Competition will allow for the purchase of microwave radios, electronics, system integration, installations, and antenna systems directly from the manufacturer Harris Stratex Networks, Inc., a Florida corporation, over the next three years. The equipment and services will be used for the replacement, upgrade, and expansion of the District's microwave network system. The District's microwave network system consists of over 28 microwave sites making up the backbone of the District's communications network supporting remote pump and gate operations, data transfers between locations, environmental monitoring, voice radio system, and SCADA remote telemetry. Pricing for this system acquisition will be through the Western States Contracting Alliance Agreement which is a 15 member cooperative multi-state purchasing group.

For 30 years, the District has continuously used Harris licensed microwave equipment in the District's microwave radio installations because of its reliable performance, maintenance continuity, required compatibility with the District's existing equipment, and in-house expertise in the day-to-day operation and trouble shooting work by qualified District staff.

Harris radios and equipment are necessary to replace temporary or aged Harris radios and equipment, expand existing Harris equipment, and complete the expansion of the District's microwave system with projects that have immediate microwave needs and microwave projects that are currently planned for the next 3 years.

How this helps meet the District's 10-year Strategic Plan:

Maintaining a reliable microwave communication link is critical to controlling the District's canal system water levels and their water conveyance which supports the District's 10-year Strategic Plan.

Funding Source: The total amount for the Waiver of Competition is \$11,431,000, for which ad valorem (\$1,280,000) and dedicated (\$250,000) funds are budgeted in FY08 and the remainder is subject to Governing Board approval of the FY09 and FY10 budgets.

This Board item impacts what areas of the District, both resource areas and geography:

This item impacts the entire District.

What concerns could this Board item raise?

By not continuing to purchase Harris radios and equipment, the District is exposed to the risk of microwave system failure by introducing radios and equipment not compatible with the existing Harris based microwave system. Maintaining a reliable microwave communication link is critical to controlling the District's canal system water levels and their water conveyance. The lack of the microwave reliability is a great risk to the Public.

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Why should the Governing Board approve this item?

Because of the District's requirement to continue purchasing reliable, permanent, and complete licensed Harris microwave radios, equipment, system integration, installation services, and antenna systems, a Waiver of Competition is requested for a period of 3 years. At the end of the 3-year period, the District will re-evaluate the microwave communication market and determine if waiving competition for an additional period is the best direction for the District based on available market resources and the cost effective decision to continue to use Harris as the District's microwave electronics and system installation provider.

If you have any questions, please do not hesitate to call me at ext. 6351.

SCT/ar