Suspension of Competition Acquisition Request

[Email Me]
Double click!

1. Fully describe the product(s) and/or service(s) being requested.

   The County of Fresno Information Technology Services Department (ITSD) is requesting financing services through Cisco Systems Capital Corporation (Cisco Capital) for a countywide enterprise phone system upgrade, procured through ConvergeOne (C1), an authorized Cisco reseller. This includes financing for Cisco telephone hardware, software, professional services, and any other necessary components to modernize and expand the County's existing phone system infrastructure. The financing will also support the consolidation and alignment of the County's existing Cisco Enterprise Agreements (EA). The County will receive credits that will be applied toward the overall cost of the upgrade, resulting in significant cost savings.

2. Identify the selected vendor and contact person; include the address, phone number and e-mail address for each.

   Cisco Systems Capital Corporation
   170 W Tasman Drive
   San Jose CA 95134
   Nick Avery
   559-392-0871
   navery@cisco.com

3. What is the total cost of the acquisition? If an agreement, state the total cost of the initial term and the amounts for potential renewal terms.

   The total cost for the initial 55 month term is $10,545,634.38.

4. Identify the unique qualities and/or capabilities of the service(s) and/or product(s) that qualify this as a Suspension of Competition acquisition.

   Cisco Capital is offering exclusive competitive financing for Cisco products that is not available through other financing institutions. Cisco Capital's 0% APR for the full five-year term eliminates any interest costs and Cisco-issued credits provided as part of EA alignment results in direct cost savings. In addition, Cisco Capital provides financing that is uniquely aligned with Cisco's product lifecycle and technology roadmap, enabling the County to structure payments in accordance with equipment refresh cycles, end-of-life timelines, and ongoing support requirements. This integrated approach reduces the risk of equipment becoming unsupported and ensures continued compatibility and support of the County's Cisco phone system throughout the term of the agreement, which cannot be achieved through traditional financial institutions.

5. Identify from Administrative Policy #34 what circumstances constitute a Suspension of Competition.

   ☐ In an emergency when goods or services are immediately necessary for the preservation of the public health, welfare, or safety, or for the protection of County property.
   ☐ When the contract is with a federal, state, or local governmental agency.
   ☐ When the department head, with the concurrence of the Purchasing Agent, finds that the cost of preparing and administering a competitive bidding process in a particular case will equal or exceed the estimated contract amount or $5,000 whichever is more.
   ☐ When a contract provides only for payment of per diem and travel expenses and there is to be no payment for services rendered.
   ☐ When obtaining the services of expert witnesses for litigation or special counsel to assist the County.
   ☒ When in unusual or extraordinary circumstances, the Board of Supervisors or the Purchasing Agent/Purchasing Manager determines that the best interests of the County would be served by not securing competitive bids or issuing a request for proposal.

6. Explain why the unique qualities and/or capabilities described above are essential to your department.

   ITSD supports reliable and secure communications and network services countywide. The transition to Webex Multi-tenant calling and the associated hardware refresh will modernize the County's voice platform and is compatible with the County's existing Cisco infrastructure. The ability to finance the phone system upgrade at 0% APR over five years is essential to maintaining budget stability. Utilizing Cisco Capital ensures full compatibility with existing Cisco Systems and avoids additional costs associated with interest with other third-party financing. Additionally, Cisco Capital's financing is uniquely aligned with Cisco's product lifecycle and support roadmap, which is essential to ITSD's ability to manage enterprise communication systems over time. These capabilities are critical to maintaining reliable, secure communications countywide and cannot be provided by traditional third-party financial institutions.

7. Provide a comprehensive explanation of the research done to verify that the recommended vendor is the only vendor with the unique qualities and/or capabilities stated above. Include a list of all other vendors contacted, what they were asked, and their responses.

The County reviewed alternative financing options, including reviewing the County's Dell Financial Agreement. This review confirmed that only Cisco Capital can provide the Cisco products at 0% APR for a full-five-year term. Dell may be able to offer financing for the telephone upgrade; however, it would be at 5.54% which would result in the County paying approximately $2,000,000 in interest if paying annually. The County also reviewed financing options from Lenovo Finance, and found that they focus on financing for Lenovo technology only. The County researched financing through Wells Fargo Equipment/Technology Financing, and found that while they could finance the upgrade, it would not be at 0% APR and would not align with Cisco's product lifecycle and support roadmap, which is essential for ITSD to manage enterprise communication systems over time.

stbrown 1/13/2026 10:30:04 AM — Staff Analyst [⌫ Sign] Double click!

Requested By: — Title

I approve this request to suspend competition for the service(s) and/or product(s) identified herein.

Mike Kerr

Mike Kerr (Jan 13, 2026 11:23:37 PST) [⌫ Sign] Double click!

Department Head Signature

[⌫ Sign] Double click!

Purchasing Manager Signature