



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent Report
June 24, 2008

**Honorable Mayor and
 Members of the City Council**

Title: Purchase: Maintenance, technical support services and consulting services for computer-related software and hardware equipment for Fiscal Year 2008/09

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** (1) authorizing the City Manager to renew the annual software license and maintenance/technical support service agreements with CGI-AMS, County of Sacramento, ESRI, Inc., and Versaterm for Fiscal Year 2008/09 for an amount not to exceed \$1,970,000; and (2) authorizing the City Manager to execute (a) Supplemental Agreement No. 3 to City Agreement No. 2006-1018 with Coretechs, Inc. extending the agreement term for computer network consulting services an additional one year for an amount not to exceed \$425,000; (b) Supplemental Agreement No. 5 to City Agreement No. 2006-1178 with Oracle, Inc. extending the support service period for the licensed programs an additional one year for an amount not to exceed \$568,000 and (c) Amendment No.4 to City Agreement No. 2001-028 with Computer Associates extending the license period an additional 12 months for an amount not exceed \$200,000.

Contact: Karl Rosander, Information Technology Manager, 808-8262
 Ignacio Estevez, Program Manager, 808-7349

Presenters: N/A

Department: Information Technology

Division: Administration

Organization No: 07001011

Description/Analysis

Issue: In June 2008, the Information Technology (IT) Department conducted its annual review of all citywide computer-related supplies and technical services purchased in FY 2007/08. The review shows City has ongoing agreements which provide for annual renewal of software license and maintenance/technical support services from multiple vendors where the annual expenditures per vendor exceed \$100,000. The vendors listed in the table below have met the City's policy requirements for contracting and are providing ongoing maintenance and technical support services for software and hardware equipment purchases

previously approved by City Council.

The agreements with the vendors listed in the table below provides for annual renewal of the license or maintenance/support services. Staff requests spending authorization to cover the annual renewal of the software license, maintenance and technical services agreements for the following:

Vendor Name	FY 2008/09 Amount	Description
CGI (CGI-AMS)	\$150,000	License and maintenance to support the City's existing financial and payroll systems. City Agreement 92-246.
County of Sacramento	\$1,170,000	Maintenance and access to County of Sacramento information database systems that include support law enforcement (CJIS, JIMS) (\$360,000) – City Agreement 2006-0784, 800 MHz radio system user fees for the Sacramento Regional Radio Communication System (SRRCS) (\$800,000), Web Geographic Information Systems–City Agreement 2006-0124 (\$8,000), and other IT systems.
ESRI Inc.	\$250,000	License/maintenance for GIS software used by the City. City Agreement 2005-0949.
Versaterm	\$400,000	Annual maintenance and support services for the CAD and RMS database system used by the Police Department. City Manager Agreement 2002-189.
Total FY 2008/09	\$1,970,000	

In addition to the vendors listed in the table above, the City has agreements with vendors that will soon be expiring unless the agreements are amended to extend their terms:

(1) Coretechs - IT consulting services that support the City's network infrastructure, Personal Digital Assistant (PDA) Program, and system engineering and data conversion support for the electronic Citywide Accounting and Personnel (eCAPS) Project. The current contract with Coretechs is scheduled to expire on June 30, 2008. Staff requests to extend this contract an additional year for an amount not to exceed \$425,000 with CoreTechs which will allow for continued IT consulting support.

(2) Oracle - license for various software programs for the eCAPS project. The support services for the licensed programs are scheduled to expire in November, 2008. Staff requests to extend the support services period an additional one year to allow for continued use of the licensed programs for an amount not to exceed \$568,000.

(3) Computer Associates - license and maintenance of software programs for the IBM equipment used for the City's Data Center and Unicenter software. The current license and maintenance agreement is scheduled to expire in September, 2009. Staff requests to extend the license and maintenance period an additional 12 months to allow for City's continued use of the licensed software programs for an amount not to exceed \$200,000.

Policy Considerations: The recommendations in this report are in accordance with the goals, objectives, initiatives and operating principles of the City's Information Technology Strategic Plan.

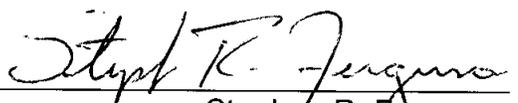
Environmental Considerations: The report concerns administrative activities that will not have a significant effect on the environment, and does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Sections 15061(b)(3);15378(b)(2)].

Rationale for Recommendation: This report is prepared to ensure that City Council is aware of the overall levels of IT purchases citywide for FY 2008/09 and that we are in compliance with the Council's directive that all purchases from a single company that exceed \$100,000 cumulatively be reviewed and approved. The request for spending authorization is presented in a consolidated fashion rather than as multiple reports on a weekly basis requesting Council approval for the routine payment of ongoing maintenance and support services for software and hardware currently being used city-wide. This increases staff efficiency in processing and administering payments.

Financial Considerations: The total amount requested with this report will not exceed \$3,163,000. At such time as when the overall total or individual limit by company exceeds the amounts in this resolution, or in cases involving unanticipated purchases of IT hardware, software or services, individual Council requests will be made. Funding for the purchase authorization requested for the renewal of ongoing license and maintenance/support services were included in the various departmental approved FY 2008/09 budget. The FY 2008/09 budget was adopted by Council on June 17, 2008.

Emerging Small Business Development (ESBD): All effort will be made to encourage and utilize certified ESBE vendors when possible.

Respectfully Submitted by: Ignacio Estevez, Program Manager

Approved by: 
Stephen R. Ferguson
Chief Information Officer

Recommendation Approved:


Ray Kerridge
City Manager

Table of Contents:

	Pg	1	Report
Attachments			
1	Pg	5	Background
2	Pg	7	Resolution

Attachment 1

Background

1. This report has been prepared to ensure that City Council is aware of the overall levels of IT purchases citywide and that we are in compliance with the Council's directive that all purchases from a single company that exceed \$100,000 cumulatively be reviewed and approved.
2. The City has previously entered into agreements with the vendors listed in the above table to provide for annual license, maintenance, and/or technical support services for software and hardware equipment currently used city-wide. In addition to the vendors listed in the table, the City Council has previously authorized the following maintenance service agreements that have gone through the City's competitive selection processes where annual expenditures exceed \$100,000:
 - a. Motorola - radio equipment maintenance services with an annual expenditure of \$450,000 through June 30, 2011 (Reso No. 2007-888).
 - b. Xerox Corporation - laser printer maintenance services with an annual expenditure of \$120,500 through January 9, 2012 (Reso No. 2007-009).
 - c. Integrity Data and Fiber – telecommunication cabling and wiring services with an annual expenditure of \$300,000 through November 9, 2011 (Reso No. 2006-809 and 2007-020).
 - d. Network Management Corporation – telecommunication cabling and wiring services with an annual expenditure of \$50,000 through November 9, 2011 (Reso No. 2006-809).
 - e. Technical Data Systems – key data entry services for employee payroll timesheets, citations, and revenue tax receipts, for an annual expenditure of \$238,099 through February 14, 2011. (Reso No. 2006-108).
 - f. EMC Corporation – Citywide Content Management annual software license support/maintenance service with an annual expenditure of \$140,250 through November 13, 2012. (Reso No. 2007-813).
3. Staff Review: For the past several years, the City Council has approved and authorized the purchase of on-going computer related supplies (including hardware and software maintenance) and technical services in a consolidated approval format. Below is a summary of the previously approved IT purchases for ongoing hardware and software maintenance, and technical support services:
 - a. Fiscal year 2005/06: An amount not to exceed \$1,175,000. (Reso 2005-673).
 - b. Fiscal Year 2006/07: An amount not to exceed \$2,480,000. (Reso 2006-519).
 - c. Fiscal Year 2007/08: An amount not to exceed \$2,175,000. (Reso 2007-451).

At the end of each fiscal year, Staff intends to review IT purchases to compare the level of those purchases to budgets in the new fiscal year and prepare a report similar to this for Council review and approval. In certain situations where the overall total or individual limit by the vendor exceeds the amounts listed in the attached resolution, or in cases involving unanticipated purchases of IT hardware, software and/or services, individual Council report requests will be prepared for Council's approval.

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

RENEWAL OF LICENSE, MAINTENANCE/TECHNICAL SUPPORT SERVICES, AND CONSULTING SERVICES FOR INFORMATION TECHNOLOGY-RELATED SOFTWARE AND HARDWARE EQUIPMENT DURING FISCAL YEAR 2008/09

BACKGROUND

- A. The vendors listed in the table below have met the City’s policy requirements for contracting and are providing ongoing license, maintenance and/or technical support services for software and hardware equipment purchases previously approved by City Council.
- B. The City has ongoing needs to continue use of the licensed software programs. In order to avoid a lapse in service and to ensure continuation of necessary license and support services, staff recommends renewal of the annual support service period and, as applicable, extension of the contract terms where the agreements are scheduled to expire.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager, or City Manager’s designee, is authorized to renew the annual license and/or support services for computer-related software and hardware equipment from the following vendors in the amounts listed below. The total amount for Fiscal Year 2008/09 shall not exceed \$1,970,000:

Vendor Name	FY 2008/09 Amount	Description
CGI (CGI-AMS)	\$150,000	License and maintenance to support the City’s existing financial and payroll systems. City Agreement 92-246.
County of Sacramento	\$1,170,000	Maintenance and access to County of Sacramento information database systems that include support law enforcement (CJIS, JIMS) (\$360,000) – City Agreement 2006-0784, 800 MHz radio system user fees for the Sacramento Regional Radio Communication System (SRRCS) (\$800,000), Web Geographic Information Systems–City Agreement 2006-0124 (\$8,000), and other IT systems.
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Versaterm	\$400,000	Annual maintenance and support services for the CAD and

		RMS database system used by the Police Department. City Manager Agreement 2002-189.
Total FY 2008/09	\$1,970,000	

Section 2. The City Manager, or City Manager’s designee, is authorized to execute the following: (a) Supplemental Agreement No. 3 to City Agreement No. 2006-1018 with Coretechs, Inc., extending the agreement term for computer network consulting services an additional one year for an amount not to exceed \$425,000; (b) Supplemental Agreement No. 5 to City Agreement No. 2006-1178 with Oracle, Inc. extending the support service period for the licensed programs an additional one year for an amount not to exceed \$568,000 and (c) Amendment No.4 to City Agreement No. 2001-028 with Computer Associates extending the license period an additional 12 months for an amount not exceed \$200,000.