



REPORT TO COUNCIL

City of Sacramento

14

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

Consent Report
June 22, 2010

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

Title: Purchase: Maintenance and technical support services for computer-related software and hardware equipment for Fiscal Year 2010/11

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 the County of Sacramento, ESRI, Inc., Versaterm and The Active Network for Fiscal Year (FY) 2010/11 for an amount not to exceed \$1,785,000; and (2) authorizing the City Manager to execute Supplemental Agreement No. 7 to City Agreement No. 2006-1178 with Oracle America, Inc. extending the support service period for the various licensed programs for the eCAPS system an additional one year for an amount not to exceed \$500,000.

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 May 2009, the Information Technology (IT) Department conducted its annual review of all citywide computer-related supplies and technical services purchased in FY 2009/10. The review shows the 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 Exhibit A to the attached Resolution 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.

Staff requests spending authorization to cover the annual renewal of the software license, maintenance and technical services agreements with the vendors listed in Exhibit A.

In addition to the vendors listed in Exhibit A, the City has an agreement with Oracle for the various software programs licenses for the electronic Citywide Accounting and Personnel System (eCAPS) system. The support services for the licensed programs are scheduled to expire on June 30, 2010. 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 \$500,000.

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-2010/11, 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 \$2,285,000. This amount is approximately \$423,000 more than the amount of \$1,862,000 authorized for FY-2009/10. This is due to the annual Oracle software maintenance for eCAPS (\$500,000) being included under this report. At such time that 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, separate Council authorization will be requested. Funding for the purchase authorization requested for the renewal of ongoing license and maintenance/support services were included in the various departmental operating budgets.

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: 
Cassandra Jennings
Assistant City Manager / Interim CIO

Recommendation Approved:

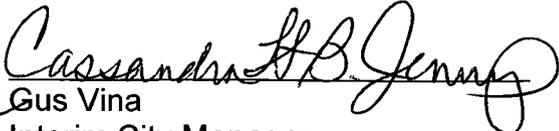

for Gus Vina
Interim City Manager

Table of Contents:

	Pg	1	Report
Attachments			
1	Pg	4	Background
2	Pg	5	Resolution
3	Pg	6	Exhibit A

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 Exhibit A 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 Exhibit A, 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 \$130,000 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).
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).
 - d. Fiscal Year 2008/09: An amount not to exceed \$3,163,000. (Reso 2007-435).
 - e. Fiscal Year 2009/10: An amount not to exceed \$1,785,000. (Reso 2009-418).

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 2010/11

BACKGROUND

- A. The vendors listed in Exhibit A 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 his designee, is authorized to renew the annual license and/or support services for computer-related software and hardware equipment from the vendors and for the amounts listed in Exhibit A. The total amount for Fiscal Year 2010/11 shall not exceed \$1,785,000.
- Section 2. The City Manager, or City Manager's designee, is authorized to execute Supplemental Agreement No. 7 to City Agreement No. 2006-1175 with Oracle America, Inc., extending the support service period for the Enterprise Resource Planning (ERP) licensed programs an additional one year for an amount not to exceed \$500,000.
- Section 3: Exhibit A is incorporated and made part of this Resolution.

Table of Contents:

Exhibit A: IT Maintenance and Services

Exhibit A**IT Maintenance and Services**

Vendor Name	FY 2009/10 Amount	Description
County of Sacramento	\$1,175,000	Maintenance and access to County of Sacramento information database systems that include support to law enforcement (CJIS, JIMS) (\$360,000) – City Agreement 2006-0784. 800 MHz radio system user fees for the Sacramento Regional Radio Communication System (SRRCS) (\$787,000) – City Agreement 93-136. Web Geographic Information Systems and other IT systems (\$12,000) – City Agreement 2006-0124. County Property Database System (\$12,000).
ESRI Inc.	\$150,000	License/maintenance for GIS software used by the City. City Agreement 2005-0949.
The Active Network	\$60,000	Cashiering and Class Registration Software License and Maintenance - City Manager Agreement 2005-0453-1 and 2005-0453-A1.
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 2009/10	\$1,785,000	