



City of Sacramento City Council

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

Meeting Date: 4/21/2011

Report Type: Consent

Title: Supplemental Agreement: Records Management Database

Report ID: 2011-00335

Location: Citywide

Recommendation: Adopt a Resolution 1) ratifying an amount of \$87,998.72 previously paid to FDM Software, Ltd. for support and maintenance services to the Fire Department's Records Management System; 2) amending Resolution No. 2005 385 increasing the total not to exceed amount to equal \$677,000; and 3) authorizing the Interim City Manager, or his designee, to execute the supplemental agreement to City Agreement No.2005 0058A with FDM for support and maintenance services for a total not to exceed amount of \$259,000.

Contact: Troy Malaspino, Deputy Chief, (916) 808-1300, Fire Department

Presenter: None

Department: Fire

Division: Fire Communications Admin

Dept ID: 12001321

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Resolution
- 4-ADRS Unexecuted Contract Cover
- 5-Exhibit A (Supplemental Agreement)

City Attorney Review

Approved as to Form
Lan Wang
4/12/2011 2:19:03 PM

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
Russell Fehr
4/1/2011 3:58:45 PM

Approvals/Acknowledgements

Department Director or Designee: Ray Jones - 4/7/2011 6:33:44 PM

Assistant City Manager: Cassandra Jennings - 4/8/2011 6:26:16 PM

Eileen Teichert, City Attorney

Shirley Concolino, City Clerk
Gus Vina, Interim City Manager

Russell Fehr, City Treasurer



Description/Analysis

Issue: In May of 2005, Council approved Resolution No. 2005-385 for the expenditure of up to \$475,000 for the purchase, maintenance and support of mainframe database software for Fire Department records. That purchase was awarded to FDM Software Ltd. Subsequent payments to FDM Software Ltd for continuing support and maintenance have exceeded this expenditure limit by \$87,998.72. Two outstanding invoices remain for support and maintenance for FY2009/10 and FY2010/11 that total \$110,145. Because the expenditure limit has been exceeded, these invoices cannot be paid unless approved by resolution. The department will be seeking to establish a new contract for future services.

Policy Considerations: The recommendations in this report are consistent with effective government.

Environmental Considerations: This recommendation does not constitute a “project” and therefore is exempt from the California Environmental Quality Act (CEQA) according to Section 15061 (b)(3) and 15378(b)(2) of the CEQA guidelines.

Sustainability: There are no sustainability considerations as listed in the Sustainability Master Plan applicable to approving the Resolution.

Commission/Committee Action: None.

Rationale for Recommendation: This action requests that payment be made for services previously and currently rendered. The costs and services are reasonable and consistent with City Agreement No. 2005-0058 with FDM Software Ltd.

Financial Considerations: The costs of support and maintenance of the mainframe database are funded within the Fire Department’s budget.

Emerging Small Business Development (ESBD): No goods or services are being purchased as a result of this Resolution.

Background

In 2005, the purchase of a new Fire Department records management system was approved by City Council Resolution No. 2005-385, which specified a maximum limit of \$475,000 including purchase, support and maintenance of the system. Subsequent annual support and maintenance costs were specified within the staff report, but were not intended to be included in the limit amount. The intent was to augment the annual Fire Department budget to cover those costs, but the language in the staff report is ambiguous.

City Agreement Nos. 2005-0058, 2005-0058A and 2005-0058B were approved under Resolution No 2005-385 and these agreements comprised the original maximum limit of \$475,000.

- City Agreement No. 2005-0058 is for the software licenses in an amount not to exceed of \$336,500;
- City Agreement No. 2005-0058A is for the support and maintenance services in an amount not to exceed of \$57,000; and
- City Agreement No. 2005-0058B is a professional services agreement related to project implementation, hardware implementation, etc. in an amount not to exceed of \$81,500.

Recently an internal audit of payment history conducted by the Fire Department showed that to date, the total amount paid to purchase, maintain and support the records system to FDM has exceeded the limit by \$87,998.72, with another \$110,145 in pending invoices. Both of these amounts pertain to services rendered under City Agreement No. 2005-0058A. The supplemental agreement is to increase the amount not to exceed on City Agreement No. 2005-0058A for the support and maintenance services to equal \$259,000.

If payment of the pending invoices and the supplemental agreement is approved, the total paid to FDM Software Ltd under Resolution No. 2005-385 will be \$677,000.

The proposed resolution is intended to allow the vendor to be paid for services rendered under City Agreement No. 2005-0058 (the annual support and maintenance agreement with FDM). The Fire Department will then seek to establish a new contract specifying future maintenance and support costs, separate of the original purchase process.



RESOLUTION NO.

Adopted by the Sacramento City Council

Ratifying Past Expenditures and Authorizing Additional Payment for FDM Software Support and Maintenance Services

BACKGROUND

- A. The City Council has previously approved the purchase, support and maintenance of a Fire Department records management system from FDM Software under Resolution No. 2005-385. This Resolution limited payment to FDM to a maximum of \$475,000.
- B. An internal audit of payment history conducted by the Fire Department showed that to date, the total amount paid to purchase, maintain and support the records system to FDM has exceeded the maximum limit by \$87,998.72.
- C. There is still another \$110,145 in outstanding invoices for support and maintenance of the system already performed. If payment of the pending invoices is approved, the total paid to FDM Software Ltd. under Resolution No. 2005-385 will be \$677,000.
- D. Staff recommends City Council to ratify an amount of \$87,998.72 previously paid to FDM Software, Ltd. for support and maintenance services to the Fire Department's Records Management System; and to amend Resolution No. 2005-385 increasing the total not to exceed amount to \$677,000.

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

- Section 1. An amount of \$87,998.72 previously paid to FDM Software, Ltd. for support and maintenance services to the Fire Department's Records Management System is hereby ratified.
- Section 2. Resolution No. 2005-385 is hereby amended increasing the total not to exceed amount to equal \$677,000.
- Section 3. The Interim City Manager, or his designee, is authorized to execute a supplemental agreement, Exhibit A hereto, to City Agreement No. 2005-0058A with FDM for support and maintenance services for a total not to exceed amount of \$259,000.
- Section 4. Exhibit A is part of this resolution.



Unexecuted Contract/Agreements

- The Unexecuted Contract/Agreement is signed by the other party, is attached as an exhibit to the resolution, and is approved as to form by the City Attorney.
- The Unexecuted Contract/Agreement (Public Project) is NOT signed by the other party, is attached as an exhibit to the resolution, and is approved as to form by the City Attorney.
- The Unexecuted Contract is NOT included as an exhibit to the Resolution because the Agreement(s) is with other another governmental agency and it is not feasible to obtain the other agency's signature prior to Council action (be they denominated Agreements, MOUs, MOAs, etc.); however, the City Attorney approves the forwarding of the report to Council even though the signed agreement is not in hand yet.
- The Unexecuted Contract is NOT included as an exhibit to the resolution because, due to special circumstances, and the City Attorney confirms in writing that it is okay to proceed with Council action even though the signed agreement is not in hand yet.

All unexecuted contracts/agreements which are signed by the other parties are in the Office of the City Clerk before agenda publication.



SUPPLEMENTAL AGREEMENT

Project Title and Job Number: FDM Software Support and Maintenance Agreement Date: 04/12/2011
Purchase Order #: Supplemental Agreement No.: 2005-0058A-1

The City of Sacramento ("City") and FDM Software Ltd. ("Contractor"), as parties to that certain agreement designated as Agreement Number 2005-0058A , including any and all prior supplemental agreements modifying said agreement (said agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services of the Agreement is not amended and is to continue as stated in Agreement.
2. The maximum not-to-exceed amount of the Agreement for payment of Contractor's fees and expenses, is **increased** to equal \$259,000.
3. Contractor agrees that the amount of increase in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approved By:

Approved As To Form By:

Gustavo F. Vina
Interim City Manager
City of Sacramento, a Municipal Corporation

Lan Wang
Senior Deputy City Attorney

Approved By:

FDM Software, Ltd.

Attested To By:

City Clerk