

City Council Report

915 I Street, 1st Floor

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Meeting Date: 6/18/2013

Report Type: Consent

Report ID: 2013-00465

Title: Agreements: FY2013/14 Maintenance and Technical Support Services for Computer-Related Software and Hardware Equipment

Location: Citywide

Issue: City Council approval is required to renew the City's annual software licenses and maintenance/technical support service agreements.

Recommendation: Pass a Motion authorizing the City Manager or his designee to renew the annual software license and maintenance/technical support service agreements with County of Sacramento, EMC, ESRI, Oracle America, The Active Network, and Versaterm for a total not-to-exceed amount of \$4,410,000.

Contact: Ignacio Estevez, IT Manager, (916) 808-7349; Gary S. Cook, Chief Information Officer, (916) 808-8600, Information Technology Department

Presenter: None

Department: Information Technology

Division: Technology Administration

Dept ID: 07001011

Attachments:

1-Description/Analysis

2-Background - FY14 Maintenance Agreement

3-Exhibit A (Maintenance Vendors)

City Attorney Review

Approved as to Form

Sheri Chapman

6/12/2013 10:27:51 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt

Janelle Gray

6/5/2013 9:34:07 AM

Approvals/Acknowledgements

Department Director or Designee: Gary Cook - 6/6/2013 2:04:11 PM

Description/Analysis

Issue Detail: In May 2013, the Information Technology (IT) Department conducted its annual review of all citywide computer-related supplies and technical services purchased in FY2012/13. 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 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. The maintenance agreements provide required support for several of the City's most critical business systems.

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

Economic Impacts: None

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)].

Sustainability: Under Phase 1 of the City of Sacramento's Climate Action Plan, all applicable "Green" technology initiatives will be considered prior to the purchase of IT equipment hardware and software.

Commission/Committee Action: Not applicable

Rationale for Recommendation: This report is prepared to ensure that City Council is aware of the overall levels of IT purchases citywide for FY2013/14, 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 an annual consolidated fashion rather than as multiple reports throughout the year 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 \$4,410,000. This amount is higher than the authorized amount for FY2012/13 due to

the purchase of additional software modules for electronic Citywide Accounting and Personnel System (eCAPS) and increases in annual software maintenance costs. Additionally, the three-year eCAPS software maintenance spending request with Oracle America is included in this report; however, only the appropriate annual amounts will actually be paid to Oracle America each year. This will freeze annual software maintenance increases for three years and will result in approximately \$60,000 in overall savings to the city. Staff has spent considerable time negotiating with all vendors to minimize or, where possible, eliminate these annual increases. 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 City Council authorization will be requested. Funding for the purchase authorization requested for the renewal of ongoing license and maintenance/support services are included in the various departmental operating and project budgets.

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

Background

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 exceeding \$100,000 cumulatively be reviewed and approved.

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. Integrity Data and Fiber – telecommunication cabling and wiring services with an annual expenditure of \$250,000 through October 25, 2016 (Reso No. 2011-602).
- b. 3D Datacom - telecommunication cabling and wiring services with an annual expenditure of \$150,000 through October 25, 2016 (Reso No. 2011-602)
- c. Motorola Solutions, Inc. – radio equipment maintenance services with an expenditure amount of \$229,284.40 for the initial term period from January 1, 2013 – June 30, 2013, with option to renew up to four (4) additional one-year periods, not exceeding \$368,569.40 per year (City Agreement No. 2012-1019, authorized by Council on December 11, 2012)

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 2008-435).
- e. Fiscal Year 2009/10: An amount not to exceed \$1,785,000. (Reso 2009-418).
- f. Fiscal Year 2010/11: An amount not to exceed \$2,285,000. (Reso 2010-261).
- g. Fiscal Year 2011/12: An amount not to exceed \$2,426,500. (Reso 2011-382).
- h. Fiscal Year 2012/13: An amount not to exceed \$2,677,000. (Reso 2012-426).

During the third quarter of each fiscal year, staff reviews IT purchases, comparing the level of those purchases to budgets in the new fiscal year preparing 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.

IT License, Maintenance and/or Support Services

Vendor Name	FY 2013/14 Amount	Description
County of Sacramento	\$1,338,000	Maintenance and access to County of Sacramento information database systems that include support to law enforcement (CJIS, JIMS) (\$375,000) – City Agreement 2006-0784. 800 MHz radio system user fees for the Sacramento Regional Radio Communication System (SRRCS) (\$885,000) – City Agreement 2010-1010. Web Geographic Information Systems and other IT systems (\$75,000) – City Agreement 2013-0453. County Mainframe System Property Owners Information (\$3,000)
EMC (and all authorized resellers include Allied Network Solutions, Inc. (ANS), CDW-G, HF Tech Services, Inc., HSB Solutions, Inc., INX LLC, Kovarus, Network Management Corporation, Nexus, NWN, Quest Media and Supplies, SAIC)	\$105,000	Extension of Contract 2007-1203 for one year for CCM Maintenance renewal.
ESRI Inc.	\$192,000	License/maintenance for GIS software used by the City. City Agreement 2005-0949.
Oracle America	\$1,850,000 (covers 3 years of maintenance)	Software maintenance and technical services that supports the City's Finance and Human Resources Systems (also known as electronic Citywide Accounting and Personnel System (eCAPS) (3 year maintenance: \$1,275,000 (annual: \$425,000)) - City Agreement 2006-1178-8 Software maintenance and technical services that supports the City's Database Systems (3 year maintenance: \$,575,000 (annual: \$191,666.66)) – Reso-2003-331.
The Active Network	\$125,000	Cashiering and Class Registration Software License and Maintenance. City Manager Agreement 2005-0455
Versaterm	\$800,000	Annual maintenance and support services for the CAD and RMS database system used by the Police Department - City Manager Agreement 2002-189.
Total FY 2013/124	\$4,410,000	