Meeting Date: **6/24/2014**

Report Type: Consent

Report ID: 2014-00459

City of SACRAMENTO **18**

City Council Report
915 I Street, 1st Floor
www.CityofSacramento.org

Title: Agreements: FY2014/15 Maintenance and Technical Support Services for Computer-Related Software and Hardware Equipment (Reviewed 6/17/2014)

Location: Citywide

Recommendation: Pass a Motion 1) authorizing the City Manager or his designee to approve the renewal of annual software licenses and maintenance/technical support service agreements from the County of Sacramento through City of Sacramento Agreements 2006-0784 and 2010-1010, 2013-0453 for an amount not-to-exceed $1,313,000; 2) authorizing the City Manager or his designee to execute Supplemental Agreement No. 2 to Agreement 2012-0139 with Community College Foundation for student intern program to increase the not-to-exceed amount by an additional $45,000 for a total not to exceed amount of $135,000; 3) authorizing the City Manager or his designee to approve the renewal of annual software licenses and maintenance/technical support service agreements from EMC (and all authorized resellers) through City of Sacramento Agreement 2007-1203 for an amount not-to-exceed $90,000; 4) authorizing the City Manager or his designee to approve the renewal of annual software licenses and maintenance/technical support service agreements from ESRI, Inc. through City of Sacramento Agreement 2005-0949 for an amount not-to-exceed $150,000; 5) authorizing the City Manager or his designee to execute Supplemental Agreement No. 3 to Agreement 2010-0491 with TW Telecom Holdings, Inc. for internet connectivity services and to increase the not-to-exceed amount by $73,584 to a total not to exceed amount of $295,336; 6) authorizing the City Manager or his designee to approve the renewal of annual software licenses and maintenance/technical support service agreements from Versaterm through City of Sacramento Agreement 2002-189 for an amount not-to-exceed $400,000; and 7) authorizing the City Manager or his designee to issue the required purchase orders for these vendors for renewal of annual software licenses and maintenance/technical support services for a total amount not-to-exceed $2,221,584 during Fiscal Year 2014/15.

Contact: Ignacio Estevez, IT Manager, (916) 808-7349; Maria MacGunigal, Chief Information Officer, (916) 808-7998, Information Technology Department

Presenter: None

Department: Information Technology
Division: IT Business Management
Dept ID: 07001011
Attachments:
1-Description/Analysis
2-Background
3-Exhibit A (Maintenance Vendors)
4-TW Telecom Holdings
5-Community College Foundation

City Attorney Review

Approved as to Form
Sheri Chapman
6/13/2014 4:54:35 PM

Approvals/Acknowledgements

Department Director or Designee: Maria MacGunigal - 6/11/2014 2:11:47 PM

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Description/Analysis

Issue Detail: In May 2014, the Information Technology (IT) Department conducted its annual review of all citywide computer-related supplies and technical services purchased in FY2013/14. 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 Sacramento City Code requires Council approval for purchases of $100,000 or more.

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.

Policy Considerations: The recommendations in this report are in accordance with the goals, objectives, initiatives and operating principles of the City's IT Department, Sacramento City Code Chapters 3.56 and 3.64, and Administrative Policy Nos. 4001, 4104 and 4102.

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: 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. The maintenance agreements identified in Exhibit A provide required support for several of the City's most critical business systems. To increase efficiency, the request for spending authorization is presented in an annual consolidated fashion rather than as multiple requests throughout the year.

Financial Considerations: The request for authority to renew the software license, maintenance and technical service agreements identified in Exhibit A does not exceed $2,221,584. 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 Council authorization will be requested. Funding for the renewal of ongoing license and maintenance/support services are included in the FY2014/15 IT operating and capital improvement project (CIP) budgets.

Local Business Enterprise (LBE): The City's LBE program requirements do not apply to cooperative purchase agreements bid by other agencies. Each of the proposed amendments relate to agreements entered into prior to enactment of the City's LBE participation requirements.

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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 exceeding $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 citywide. 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 (Resolutions 2011-602 and 2011-1248)
    b. 3D Datacom – telecommunication cabling and wiring services with an annual expenditure of $150,000 through October 20, 2016 (Resolution 2011-602)
    c. Oracle America – Software maintenance and technical services that supports the City's database systems and electronic Citywide Accounting and Personnel System (eCAPS) through June 30, 2016 (Motion 2013-00465)

3. Staff Review: For the past several years, the City Council has approved and authorized the purchase of ongoing 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 2009/10: not-to-exceed $1,785,000 (Resolution 2009-418).
    b. Fiscal Year 2010/11: not-to-exceed $2,285,000 (Resolution 2010-261)
    c. Fiscal Year 2011/12: not-to-exceed $2,426.500 (Resolution 2011-382)
    d. Fiscal Year 2012/13: not-to-exceed $2,677,000 (Resolution 2012-426)
    e. Fiscal Year 2013/14: not-to-exceed $4,410,000 (Motion 2013-00465). The amount for Fiscal Year 2013/14 was higher due to a three-year maintenance approval with Oracle to support the City's database systems and electronic Citywide Accounting and Personnel System (eCAPS).

    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. Although annual contract amounts may fluctuate, an average of $2.8 million per year has been allocated for software licenses and maintenance/technical support services over the past five years.

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Exhibit A

IT License, Maintenance, and/or Support Services

Vendor Name	FY2014/15 Amount	Description
County of Sacramento	$1,313,000	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) ($875,000) – City Agreement 2010-1010. Web Geographic Information Systems and other IT systems ($78,000) – City Agreement 2013-0453
Community College Foundation	$45,000	Execute Supplemental Agreement No. 2 to Agreement 2012-0139 for student intern program increasing the new total not-to-exceed amount to $135,000.
EMC (and all authorized resellers)	$90,000	Extension of Contract 2007-1203 for one year for CCM Maintenance renewal.
ESRI Inc.	$150,000	License/Maintenance for GIS software used by the City. City Agreement 2005-0949.
The Active Network	$150,000	Cashiering and Class Registration Software License and Maintenance. City Agreement 2005-0949.
TW Telecom Holdings, Inc.	$73,584	Execute Supplemental Agreement No. 3 to Agreement 2010-0491 for internet connectivity services increasing the new total not-to-exceed amount to $295,336.
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 FY2014/15	**$2,221,584**	

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SUPPLEMENTAL AGREEMENT

Project Title and Job Number: Internet Service Provider **Date:** _____
Purchase Order #: **Contract Supplement No.: 3**

The City of Sacramento ("City") and tw telecom holdings, Inc ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Agreement Number 2010-0491 , 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 specified in Exhibit A of the Agreement is amended as follows:

   a. The Time of Performance is extended to June 30, 2015

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, and said maximum not-to-exceed is increased as follows:

Agreement's original not-to-exceed amount:	$73,584.00
Net change by previous supplemental agreements:	$148,168.00
Not-to-exceed amount prior to this supplemental agreement:	$221,752.00
Increase by this supplemental agreement:	$73,584.00
New not-to exceed amount including all supplemental agreements:	$295,336.00

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:

Contractor 5/21/14
tw telecom

Approved As To Form By:

City Attorney

Approved By:

Maria MacGunigal
Chief Information Officer, Information Technology Department
For: John F. Shirey, City Manager

Attested To By:

City Clerk

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SUPPLEMENTAL AGREEMENT

Project Title and Job Number: IT Department Internship Program **Date:** _____
Purchase Order #: **Supplemental Agreement No.: 2**

The City of Sacramento ("City") and The Community College Foundation ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2012-0139, including any and all prior supplemental agreements modifying the agreement (the 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 specified in Exhibit A of the Agreement is extended through June 30, 2015 and is hereby modified to increase the number of students assisting with various IT related projects.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is **increased by 45,000** and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	60,000
Net change by previous supplemental agreements:	30,000
Not-to-exceed amount prior to this supplemental agreement:	90,000
Increase by this supplemental agreement:	45,000
New not-to exceed amount including all supplemental agreements:	135,000

3. Contractor agrees that the amount of increase or decrease 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:

_____
Contractor Signature

Approved As To Form By:

_____
City Attorney

_____ Richard B. Fowler II
Contractor's Name Typed/Printed

Attested To By:

Approved By:

_____
Maria MacGunigal
Chief Information Officer
For: John F. Shirey, City Manager

_____
City Clerk

(Rev. 9-17-12)