

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK
CITY OF OAKLAND
2005 SEP 15 PM 4:21

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Finance and Management Agency
DATE: September 27, 2005

RE: RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH MICROMENDERS INC. FOR PRODUCTS AND SERVICES TO IMPLEMENT A MICROSOFT WINDOWS 2003/EXCHANGE 2003 SOFTWARE MIGRATION FOR AN AMOUNT NOT TO EXCEED SIX HUNDRED EIGHTEEN THOUSAND NINE HUNDRED SEVENTEEN DOLLARS (\$618,917)

SUMMARY

The Finance and Management Agency (FMA), Information Technology Division (ITD) requests that the City Council approve a resolution authorizing the City Administrator to execute a contract with MicroMenders Inc. for products and services to implement a Microsoft Windows 2003/Exchange 2003 software migration for an amount not to exceed six hundred and eighteen thousand nine hundred seventeen dollars (\$618,917).

In July 2003, the Council passed resolution 78454 authorizing the City Manager to negotiate and return to Council with a contract for the Windows 2003 upgrade. This project was originally presented and approved as part of the 2003-2005 Capital Improvement Program budget. However, due to lack of available funds, this project was unable to start. The current 2005-2007 capital improvement program budget includes funds to pay for this upgrade.

FISCAL IMPACT

Funds are budgeted in the 2005-2007 Capital Improvement Reserve fund (Fund 5510, Project C274910) to fund the contract. The upgrade will be completed in FY 06-07. The following chart outlines the expenditures for FY 2005-2006 associated with this contract.

Upgrade to Windows 2003 Active Directory Project	
Item	Project Cost
Total Labor	\$345,000
Total Software	\$200,140
Tax	\$17,512
Total contract	\$562,652
10% Contingency	\$56,265
Total not to exceed amount	\$618,917
Total available funds Project C274910	\$624,784

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One-time costs, involving the purchase of Windows server licenses and Exchange License, along with user licenses to access the server, will be funded from the FY 2005-07 Capital Improvement Program, Fund 5510, Project C274910, for all units supported by ITD. Standard City of Oakland purchasing procedures will be followed in the procurement of these items.

BACKGROUND

Currently, the majority of the City of Oakland's applications servers reside on a Window NT 4.0 (a 1995 computer operating system) operating system that is no longer supported by Microsoft. Emerging applications require a supported operating system ensuring greater security and stability. All of the recent systems approved by the Council (e.g., IPSS, permit tracking) require this type of operating system. In order to maintain these systems and to allow for the upgrade and maintenance of our email system, an upgrade to Windows 2003 is required.

In 2004, a Request for Proposals (RFP) for the migration and upgrade to Windows 2003 was issued. MicroMenders Inc. was selected as the vendor best suited to provide these services based on their qualifications and experience. The RFP included as one of its major tasks the upgrade of the current e-mail system (Exchange 5.5) to Exchange 2003. Exchange 5.5 will not be supported by Microsoft after December 31, 2005. The upgrade of the e-mail system requires an upgrade to Windows 2003 and can not be accomplished separately.

KEY ISSUES AND IMPACTS

The Windows 2003/Exchange 2003 upgrade will provide the following benefits:

Increased Security: The City's current operating system is so out of date that Microsoft will no longer issue security fixes for vulnerabilities in the software. This compromises City services making it vulnerable to outside hacking. Windows 2003 and Exchange 2003 provide significant security enhancements that will prevent many of these issues by centralizing administration and hardening code.

Better Performance/Reliability: Windows 2003 is twice as fast as the older Windows software, which increase the productivity of City employees. In addition, reliability will be increased by implementing code that will minimize downtime.

Minimize Spam/Viruses: Anti Spam technology continues to evolve. The City cannot take advantage of these new developments because much of the software that will help combat spam is available only on the new operating system. Exchange 2003 allows us to leverage the new spam filters included in the software and integration with other filters, so that we can minimize disruption due to spam and viruses.

Reduced Costs: Currently there are twelve City-wide e-mail servers. Exchange 2003, allows more users per server, eliminating the need for additional servers.

The need for an updated Windows platform is imperative. The current operating system is no longer supported should the system fail. Unless the City's Windows operating system is brought into compliance with current security standards the City risks disruption of critical IT services.

PROJECT DESCRIPTION

The City proposes to have MicroMenders Inc. partner with key City personnel in order to design and implement the new infrastructure for Windows 2003 and Exchange 2003. This will result in the replacement of outdated servers and software and the installation of new Exchange 2003 messaging services. This total project, including this contract will affect (not in a negative manner) all City computers attached to the City's data network. When the systems are upgraded, functional changes will remain the same and only minor visual changes will be detected by the end user.

SUSTAINABLE OPPORTUNITIES

Economic: MicroMenders Inc. intends to partner with Magenic, a local City business who will assist in the implementation of the Active Services Directory infrastructure. The result will be of benefit economically to City of Oakland residents through increased sales tax and business revenue.

Environmental: Environmental impact will be the reduction of servers due to consolidation, leading to less energy usage, maintenance and disposal.

DISABILITY AND SENIOR CITIZEN ACCESS

None

RECOMMENDATION(S) AND RATIONALE

Staff recommends that the City Council approve the resolution authorizing the City Administrator to execute a contract with MicroMenders Inc. for products and services to implement a Microsoft Windows 2003/Exchange 2003 software migration for an amount not to exceed \$618,917.

ACTION REQUESTED OF THE CITY COUNCIL

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Staff requests that the City Council approve the Resolution authorizing the City Administrator to execute a contract with MicroMenders Inc. for products and services to implement a Microsoft Windows 2003/exchange 2003 software migration for an amount not to exceed \$618,917.

Respectfully submitted,



**William Noland, Director
Finance and Management Agency**

Prepared by:
Bob Glaze, Chief Technology Officer
Information Technology Division

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:


OFFICE OF THE CITY ADMINISTRATOR

Item: _____
Finance & Management Committee
September 27, 2005

OAKLAND CITY COUNCIL

2005 SEP 15 2PM

RESOLUTION No. _____ C.M.S.



RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH MICROMENDERS INC. FOR PRODUCTS AND SERVICES TO IMPLEMENT A MICROSOFT WINDOWS 2003/EXCHANGE 2003 SOFTWARE MIGRATION FOR AN AMOUNT NOT TO EXCEED SIX HUNDRED AND EIGHTEEN THOUSAND NINE HUNDRED SEVENTEEN DOLLARS (\$618,917.00).

WHEREAS, the Finance and Management Agency (FMA), Information Technology Division is working to update and improve the service and reliability of the City's data processing infrastructure; and

WHEREAS, the City passed Resolution 78454 authorizing the City Manager to negotiate and return to Council a contract for the Windows 2003 upgrade; and

WHEREAS, the Information Technology Division issued a request for proposals for Window 2003 migration; and

WHEREAS, as a result of this RFP process, MicroMenders Inc. has been selected as the preferred vendor; and

WHEREAS, the current operating systems are no longer supported should the system fail; and

WHEREAS, Exchange 2003 allows the City to leverage the new technologies so that disruptions due to spam and viruses can be minimized; and

WHEREAS, through the Adopted Capital Improvement Budget FY 2005-07, sufficient budget authority has been identified for this project; and

WHEREAS, the primary funding source is the Capital Improvement Reserve Fund (5510 Project C274910) ; and

WHEREAS, the City finds that the services provided pursuant to the agreement authorized hereunder are of a professional, scientific or technical nature and are temporary in nature; and

WHEREAS, the City finds that this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

RESOLVED: that the City Council authorizes the City Administrator to execute a contract with MicroMenders Inc. for products and services to implement a Microsoft Windows 2003/exchange 2003 software migration for an amount not to exceed six hundred and eighteen thousand nine hundred seventeen dollars (\$618,917.00).

FURTHER RESOLVED: that the City Administrator or her designee is hereby authorized to take whatever action is necessary with respect to the agreement consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: that the contract shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution, and a copy shall be placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2005

PASSED BY THE FOLLOWING VOTE:

AYES-

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council of
the City of Oakland, California