



CITY OF OAKLAND
Information Technology
Division

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OFFICE OF THE CITY CLERK
OAKLAND
2003 JUL 17 PM 6:46

Memorandum

To: Deborah Edgerly, Interim City Manager
From: Ken Gordon, IT Division, Strategic Operations Manager
On Behalf of Robert Glaze, IT Division Manager
Date: June 17, 2003
Re: Cost Containment Project

This supplemental report requests that the City Council designate the City Manager to negotiate and execute a Professional Services Agreement with Endymion Systems, Inc. for an amount not to exceed three hundred thousand dollars (\$300,000).

Endymion Systems, Inc. will provide professional services to accomplish the following cost containment initiatives:

- Perform Telecommunication Inventory (data and voice)
- Consolidate Cellular Services
- Establish IT Purchasing Discipline and Standards
- Establish IT Asset Management and Loss Prevention Procedures

The goal of the Cost Containment Project is to realize savings and efficiencies gained through the implementation of centralized IT disciplines and standards. Endymion will review and recommend changes to existing policies and procedures, as appropriate. In those cases where they do not exist, new policies will be developed. Endymion will provide the City with a detailed change management plan for the rollout of required changes and new policies.

As each initiative is completed, Endymion will submit the relevant deliverables for review and will provide finalized copies of each deliverable within a proposed 90-day project timeframe.

The project team that will be formed to complete the Cost Containment Project will consist of a Project Manager from the City's Finance and Management Agency (FSA) Information Technology Division and an Engagement Manager and staff consultants from Endymion. The FSA Information Technology Division will oversee Endymion's performance of the services set forth in the Professional Services Agreement.

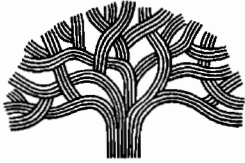
Respectfully submitted,

Bob Glaze for Bob Glaze

Bob Glaze, IT Division Manager, Finance and Management Agency
APPROVED AND FORWARDED TO THE FINANCE
AND MANAGEMENT COMMITTEE

Jaime M Becker for
Deborah Edgerly

Item: 7
Finance & Management Committee
July 22, 2003



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Memorandum

To: Deborah Edgerly, Interim City Manager
From: Ken Gordon, IT Division, Strategic Operations Manager
On Behalf of Robert Glaze, IT Division Manager
Date: June 17, 2003
Re: Five (5) Year Licensing and Support Agreement with Oracle Corporation

This supplemental report requests that the City Council designate the City Manager to execute a new five (5) year Oracle License and Support Agreement for an amount not to exceed three million nine hundred five thousand nine hundred seventy two dollars (\$3,905,972).

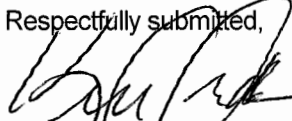
The original Software License for Oracle Applications was acquired on February 24th, 1998 and was purchased through an Authorized Oracle Reseller. In conjunction with the Software License, a Maintenance Agreement was purchased as well. The combined Software and Maintenance contract was for a 5-year term and financed through Oracle Finance Division. The Maintenance Agreement expired on February 27, 2003 but was extended by Oracle through the end of July.

The City has negotiated very favorable pricing terms and conditions as a participating entity of the Los Angeles (LA) County Oracle Software and Services Agreement. After working with the City Attorney's Office, it was determined that the City could not proceed without Council approval as previously planned under the Finance and Management Agency's cooperative agreement practice. In order for the City to continue use of the Oracle suite of applications without interruption, it must execute a new Agreement.

The new five (5) year Agreement will provide the City with a comprehensive suite of integrated business solutions (including Public Sector Budgeting, Self-Service, Reporting improvements, Constituent Interaction, and Business Intelligence) which will provide tremendous value to the City of Oakland and its constituents.

The five-year fiscal impact is as follows:

FISCAL IMPACT	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	Total
License & Support Fees	1,493,696	603,069	603,069	603,069	603,069	\$3,905,972
FY 2003-08 CIP Funds	1,405,053	768,580	654,497	654,497	654,497	\$4,132,124

Respectfully submitted,
 for Bob Glaze

Bob Glaze, IT Division Manager, Finance and Management Agency
APPROVED AND FORWARDED TO THE FINANCE
AND MANAGEMENT COMMITTEE



Item: 7
Finance & Management Committee
July 22, 2003

OFFICE OF THE CITY CLERK
DRAFT
OAKLAND
2003 JUL 17 PM 6:46

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY MANAGER TO TAKE ACTION ON PROCUREMENT OF THE FOLLOWING SUPPLIES AND SERVICES EXCEEDING \$500,000 AND PROFESSIONAL SERVICES CONTRACTS EXCEEDING \$150,000 DURING THE AGENCY/COUNCIL 2003 SUMMER RECESS: (1) A CONTRACT FOR DESIGN SERVICES FOR STUDIO ONE ART CENTER REHABILITATION PROJECT (NOT TO EXCEED \$1,000,000); (2) A CONTRACT AMENDMENT WITH PATTILLO AND GARRET ASSOCIATES FOR THE LANDSCAPE IMPROVEMENT PROJECT AT PERALTA HACIENDA HISTORICAL PARK FOR AN AMOUNT NOT TO EXCEED \$135,000 FOR A TOTAL AMOUNT NOT TO EXCEED \$350,000; (3) CONTRACT AMENDMENT WITH URBAN CREEKS COUNCIL FOR ADDITIONAL DESIGN AND CONSTRUCTION SERVICES FOR AN AMOUNT NOT TO EXCEED \$70,000, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$370,000; (4) A NEW FIVE-YEAR, SOFTWARE LICENSE AND SUPPORT AGREEMENT WITH ORACLE CORPORATION (NOT TO EXCEED \$3,905,972); AND (5) A PROFESSIONAL SERVICES AGREEMENT WITH ENDYMION SYSTEMS, INC, IN AN AMOUNT NOT TO EXCEED \$300,000 TO ACCOMPLISH COST CONTAINMENT INITIATIVES

WHEREAS, contract approval limits for the City Manager during the annual summer recess of the City Council have set expenditure limits of \$500,000 for procurement of certain supplies and services and \$150,000 for professional services contracts; and

WHEREAS, there are five contracts that exceed these expenditure limits that would be ready for approval during the Council recess and may have implications if not approved timely; and

WHEREAS, these items are:

- Authorization to negotiate and award a professional services contract to the selected consultant for design services for the Studio One Art Center Rehabilitation project in an amount not-to-exceed \$1,000,000;
- Authorization to amend a professional services contract with Pattillo and Garret Associates for the Landscape Improvement project at Peralta Hacienda Historical Park from \$215,000 to an amount not-to-exceed \$350,000;
- Authorization to amend the existing professional services agreement with the Urban Creeks Council for additional design and construction services in an amount not to exceed seventy thousand dollars (\$70,000), for a total contract amount not to exceed three hundred and seventy thousand dollars (\$370,000);
- Authorization to negotiate and execute a new five-year, software license and support agreement with Oracle Corporation for an amount not to exceed

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FINANCE & MANAGEMENT CMTE.

JUL 22 2003

three million nine hundred five thousand nine hundred seventy two dollars (\$3,905,972); and

- **Authorization to negotiate and execute a professional services agreement with Endymion Systems, Inc., in an amount not to exceed three hundred thousand dollars (\$300,000) to accomplish the following cost containment initiatives: perform telecommunication inventory (data and voice); consolidate cellular services; establish information technology purchasing discipline and standards and establish information technology asset management and loss prevention procedures; now therefore be it**

RESOLVED: That the City Council of the City of Oakland hereby authorizes the City Manager to negotiate, and award contracts, and reject bids if necessary, on the above-mentioned projects during the annual City Council recess.

IN COUNCIL, OAKLAND, CALIFORNIA, JULY 29, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, BROOKS, CHANG, NADEL, QUAN, REID, WAN
AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD

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

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FINANCE & MANAGEMENT CMTE.

JUL 22 2003