



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 21, 2024

FROM: INNOVATION & TECHNOLOGY DEPARTMENT WARDS: ALL

SUBJECT: ANNUAL RENEWAL OF SERVICES PROVIDED THROUGH FORTY-NINE EXISTING SOFTWARE AND HARDWARE MAINTENANCE AND SUPPORT OR SUBSCRIPTION AGREEMENTS FOR FISCAL YEAR (FY) 2024/25 IN THE AMOUNT OF \$4,943,701 PLUS A 15% CHANGE ORDER AUTHORITY

ISSUE:

Approve the annual renewal of services provided through forty-nine (49) existing annual software and hardware maintenance and support or subscription agreements for FY 2024/25, where each agreement has aggregate expenditures over \$100,000 over the life of the agreement, or will be surpassing \$100,000, for an estimated total amount of \$4,943,701; plus a 15% change order authority.

RECOMMENDATIONS:

That the City Council:

1. Approve the annual renewal of services provided through forty-nine (49) existing annual software and hardware maintenance and support or subscription agreements for FY 2024/25, where each agreement has aggregate expenditures over \$100,000 over the life of the agreement, or will be surpassing \$100,000, for an estimated total amount of \$4,943,701 (Attachment 1);
2. Approve a 15% change order authority for each annual renewal listed in Attachment 1 for FY 2024/25, to be used if quotes are higher than expected, and/or for the use of minor supplemental purchases; and
3. Authorize the City Manager, or designee, to execute all necessary documents for items listed in Attachment 1, including, but not limited to, renewals, purchase orders, change orders, agreements, amendments, and other minor non-substantive changes.

BACKGROUND:

The Innovation and Technology Department (IT) manages the City's agreements for software, and hardware. At the time of purchase, software and hardware agreements are approved following Citywide purchasing guidelines. After the initial term, many agreements include automatic renewal of maintenance and support services or subscriptions, for as long as the City

continues to pay for those services (“evergreen” clauses). The City issues a purchase order for these renewals and references the existing agreement. This is common within the IT industry to ensure the continual operation of software and hardware systems. Due to the evergreen nature of technology procurements, IT requests annual City Council approval to continue annual maintenance, support, and/or subscription services for any agreements with aggregate expenditures over \$100,000 (or for those expected to surpass \$100,000 over the life of the agreement).

Similarly, other IT agreements are set up as Master Agreements that can be used for a specific term. IT would either sign a renewal document and/or issue a renewal purchase order to complete the renewal under the existing agreement. Certain maintenance, support and/or subscription renewals, do not have executed agreements but are included in the Attachment, if IT expects that the annual purchase orders may exceed \$100,000.

IT reviews all agreements and subscriptions annually to ensure that the products are still in use and that the best price has been negotiated for these services. This may involve working with departments and vendors to achieve cost efficiencies through product changes, restructuring of agreements, or periodic rebidding of license and service renewals, when licenses or services can be procured from multiple vendors. If IT processes a bid or Request for Proposals (RFP) for any of the renewals listed on the Attachment during the fiscal year, IT will seek separate City Council approval for award of the bid or RFP.

All other purchases made by IT during the course of the fiscal year also follow Citywide purchasing guidelines to ensure that the City is receiving competitive pricing options. Any agreement for services/purchases in excess of \$100,000 that is not reflected on the Attachment has either already been approved by City Council for the fixed term or will be brought forward to the City Council for separate approval.

DISCUSSION:

IT has determined that it is necessary to continue the procurement of 49 annual maintenance and support services, or subscriptions listed in the Attachment – Technology Procurements for FY 2024-25, for an estimated total amount of \$4,943,701 for FY 2024/25.

IT is also requesting a 15% change order authority for the renewals listed in Attachment 1 for FY 2024/25. This change order authority is necessary to account for price differences from annual estimates and for minor supplemental purchases (e.g., additional licenses, customizations, upgrades, etc.).

The renewal services proposed (Attachment 1) include the following changes (as compared to FY 2023/24):

Additions

1. Internet Service (CenturyLink Communications dba Lumen Technologies Group)

After issuing a Request for Proposal (No. 1841) in July 2018, City Council first awarded the internet services contract to Century Link Communications on March 26, 2019. On March 12, 2024, City Council approved a third amendment to the professional services agreement with two optional one-year extensions. Should the city seek to exercise those extension options, approval of this item will allow the City Manager to execute the necessary amendments.

2. Computers and Related Accessories (Dell Marketing, LP)

IT processes more than 700 employee generated orders each year for computers and related accessories such as monitors, docking stations, keyboards and more. On October 17, 2023, City Council first approved the issuance of a single, annual purchase order that would streamline this process and expedite the delivery of items to staff. IT would like to continue the annual approval process by adding this item to the list in Attachment 1.

Dell Marketing, L.P. (Dell) has a proven track record with providing public sector experience, industry leading capabilities, strong service agreements, and reliable supply chains. Continued use of this brand will ensure city staff have continued access to the products and support they have come to rely on daily. Dell is able to provide competitive pricing for both goods and services through OMNIA cooperative agreement No. 01-143.

3. CloudLibrary, CloudLink, Comprise, SelfCheck, RFID Workstation and LibraryConnect (Bibliotheca, LLC)

On August 18, 2020, City Council approved the purchase of self-check kiosks and digital content. The annual subscriptions include access to CloudLibrary which provides customers with easy access to digital collections of books and other materials; CloudLink offers readers thousands of additional titles by sharing digital collections with other libraries throughout California; RFID asset tagging improves inventory, security and circulation operations; and LibraryConnect which provides full support to library staff. Although all of the annual subscription renewals currently total less than \$40,000 the cumulative total over the past few years has now reached \$100,000.

4. UiPath (Chazey Partners)

UiPath is a robotic process automation software that streamlines workflows. It allows software robots to perform repetitive work like moving files and folders, extracting, copying, and inserting data, filling in forms, and completing routine analyses so humans are freed to focus on the things they do best and enjoy more – things like innovating, collaborating, creating. With an annual renewal of less than \$12,000, the cumulative total for this software has now reached \$100,000.

5. Genetec Omnicast (Convergint Technologies, LLC)

Genetec Omnicast is an IP-based video management system that allows staff to easily control all video operations and quickly respond to emerging situations with single platform. Purchased through SourceWell cooperative agreement #030421-CTL, the annual subscription renewal is less than \$50,000 but has cumulatively reached \$100,000.

6. eProperty Innovations, LLC

Previously managed by the Community and Economic Development Department, IT will now be overseeing this annual subscription renewal. eProperty Plus is a software application that hosts, stores and manages property data including historical information related to acquisition and disposition of the City's real property interests. With an annual renewal of approximately \$20,000, the cumulative total for this software has now reached \$100,000.

7. Adobe Licensing (Dell Marketing, LP)

The City started purchasing Adobe licenses from Dell in FY 22 including Adobe Acrobat Pro, Acrobat Sign, Creative, Illustrator, Indesign, and Photoshop. In the past, City staff brought the Adobe product licenses to the City Council as a separate agenda item – most recently on March 12, 2024 - but seek to add this to our annual list of renewals and subscriptions for FY 25. Dell can provide competitive pricing through OMNIA cooperative agreement No. 01-143.

8. Substation Design Suite (DLT Solutions, LLC)

Previously managed by Riverside Public Utilities, IT will now be overseeing this annual subscription renewal. On July 20, 2020, the Board of Public Utilities approved the license agreement in response to RFP No. 1987 to DLT Solutions for three years with ongoing future renewals subject to the availability of funds. Substation Design Suite provides applications for specific substation design tasks, including physical and electrical design tools that drastically reduce the effort required to design substations in a Computer-aided Design (CAD) environment.

9. Cisco SmartNet (ConvergeOne)

Cisco SmartNet provides technical support, software updates, and product inventory databases in one easy-to-use platform. With an annual renewal of approximately \$36,000, the cumulative total for this software has now reached \$100,000.

The annual renewal of services provided through forty-nine existing software and hardware maintenance and support or subscription agreements are in line with the City's Purchasing Resolution No. 24101, Sections 403, 602(f), and 702(u).

Purchasing Resolution No. 24101 Section 403 states, "Competitive Procurement shall not be required for Information Technology software maintenance and license renewals; training; advertising; or professional recruitment services where the Manager is satisfied that the best price, terms and condition for the Procurement thereof have been negotiated."

Purchasing Resolution No. 24101 Section 602 states, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ...(f) When Cooperative Purchasing is available and undertaken or when Goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements."

Purchasing Resolution No. 24101 Section 702 states, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ...(u) When the Procurement is for the renewal of maintenance, license(s), support, or a similar need for existing technology systems, including hardware, and the items are procured from a vendor/reseller that was originally selected based on the City's procurement standards, provided that 1) the vendor has been used consecutively since then and 2) if there are any non-substantive changes to the procurement, the Manager is satisfied that the best price, terms and conditions have been negotiated."

The Purchasing Manager concurs that the recommended action to approve continued services is in compliance with Sections 403, 602(f), and 702(u) of Purchasing Resolution No. 24101.

STRATEGIC PLAN ALIGNMENT:

This item contributes to Envision Riverside 2025 Strategic Priority No. 6 Infrastructure, Mobility & Connectivity and Goal No. 6.2 - maintain, protect and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

The item aligns with each of the five cross-cutting threads as follows:

1. **Community Trust** – Maintaining and updating the city's technological infrastructure allows the city to continue to function in a manner that is both fiscally responsible and sensitive to customer needs (including but not limited to maintaining financial databases, managing asset systems, operating streamlined utility billing and customer information systems, and more) while keeping the City and its residents' best interests at the forefront.
2. **Equity** – The proposed purchases, managed by IT, benefit nearly all aspects of City operations and facilitate equitable services delivered by the City.
3. **Fiscal Responsibility** – These purchases are being made following research and negotiations.
4. **Innovation** – In addition to support services, these 50 software and hardware maintenance and support or subscription agreements provide the City access to upgrade these technology assets with the latest software enhancements and hardware firmware upgrades. These improvements and innovations are provided to the City.
5. **Sustainability & Resiliency** – These purchases are imperative to the success of critical daily operations for the City.

FISCAL IMPACT:

The total fiscal impact of this action is \$4,943,701. The funds are included in the budget submission to Council for FY 2024/25 in the following funds and accounts as listed in the table below:

Fund	Account Description	Account	Amount
Revolving	Finance, Accounts Payable Revolving	0000998-141999	\$1,439,950
General Fund	IT-Administration, Telephone - Cellular	2405000-421215	\$39,600
	IT-Network, Software Maintenance/Support	2405000-424310	\$239,043
	IT-Operations, Software Maintenance/Support	2410000-424310	\$1,104,089
	IT-Applications, Software Maintenance/Support	2415000-424310	\$1,977,159
	IT-Cybersecurity, Software Maintenance/Support	2425000-424310	\$34,760
	IT-Innovation, Software Maintenance/Support	2440000-424310	\$83,574
Measure Z	IT-Admin, Tech Replacement Prog-PC	8003301-462310	\$25,526
Total			\$4,943,701

These expenditures are charged back to various departments through the annual cost allocation process or by a direct charge to a specific department. Any change orders for the items listed in

Attachment 1 are subject to the availability of budgeted funds, within the IT Department budget or the budget of the department that uses the system.

Prepared by:	Jessica M. Gordon, Administrative Services Manager
Approved by:	George Khalil, Chief Innovation Officer
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Edward Enriquez, Assistant City Manager/ Chief Financial Officer/City Treasurer
Approved as to form:	Phaedra A. Norton, City Attorney

Attachment: Technology Procurements for FY 2024-25