



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 14, 2015

FROM: INNOVATION AND TECHNOLOGY DEPARTMENT WARDS: ALL

SUBJECT: APPROVAL OF MAINTENANCE SERVICE AGREEMENT AND MUTUAL NON-DISCLOSURE AGREEMENT WITH PARK PLACE TECHNOLOGIES, LLC FOR DATA CENTER HARDWARE MAINTENANCE IN THE AMOUNT OF \$230,066.28

ISSUE:

The issues for City Council consideration are approval of a Maintenance Service Agreement and Mutual Non-Disclosure Agreement with Park Place Technologies, LLC (Park Place) and issuance of a purchase order to Park Place for a total amount of \$230,066.28.

RECOMMENDATION:

That the City Council:

- 1) Authorize the City Manager or his designee to execute all documents pursuant to the Maintenance Service Agreement and a Mutual Non-Disclosure Agreement with Park Place, in the amount of \$76,688.76 per year for a three-year term, for a total amount of \$230,066.28, including making minor non-substantive changes; and
- 2) Award a purchase order to Park Place for a total amount of \$230,066.28 for data center hardware maintenance, with \$76,688.76 to be encumbered annually.

BACKGROUND:

The City currently has two separate agreements with Park Place for maintenance of infrastructure and data storage hardware at the City Hall and Police Department data centers. Park Place is a premier third party support vendor that provides 24/7 post-warranty maintenance for critical information technology hardware.

Park Place has proved to be very dependable and is able to provide quality support at only a fraction of the original equipment manufacturer (OEM) support cost. The OEM is also no longer providing support for certain hardware (e.g. servers, archivers, disk storage, etc.). As such, the Innovation and Technology Department (IT) is now seeking to enter into an agreement with Park Place to renew support for a three-year period, as well as to add additional support for existing hardware that is now out of OEM warranty and/or support.

The proposed agreement would combine support for both the City Hall and Police Department data centers. The current contracts total \$49,859, whereas the new contract would be for \$76,688

annually, for a three-year term. Since the proposed agreement includes about \$30,000 in added support, Park Place is heavily discounting existing support and has agreed to provide the City with a fixed annual cost for the three-year period. Annual escalation costs (e.g. CPI or 3%) are typical for maintenance contracts.

Consistent with the City's Purchasing Resolution No. 22576, Section 201(c), procurements are exempt from the City's purchasing policies when the procurement can only be obtained from a sole source or timely from a single source and the Purchasing Manager is satisfied that the best price, terms and conditions for the procurement have been negotiated.

The Purchasing Services Manager concurs with the recommendations in this report.

FISCAL IMPACT:

Funds are available in the Innovation and Technology Department's Fiscal Year 2015/2016 Budget. Funds will be encumbered annually, in the amount of \$76,688.76, from Software Maintenance/Support account number 2400000-4242310, for three years totaling \$230,066.28. Costs would be allocated back to other City departments and the Police Department through the annual cost allocation process.

Prepared by: Lea Deesing, Chief Innovation Officer
Certified as to
availability of funds: Brent A. Mason, Finance Director/Treasurer
Approved by: Al Zelinka, FAICP, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Maintenance Service Agreement
2. Mutual Non-Disclosure Agreement