



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 23, 2018

FROM: INNOVATION AND TECHNOLOGY DEPARTMENT WARDS: ALL

**SUBJECT: THREE-YEAR ENTERPRISE LICENSE AGREEMENT WITH ENVIRONMENTAL
SYSTEMS RESEARCH INSTITUTE, INC., IN THE AMOUNT OF \$1,071,000**

ISSUE:

Approve three-year Enterprise Licensing Agreement (ELA) with Environmental Systems Research Institute, Inc., (ESRI) of Redlands, California, from July 1, 2018, to June 30, 2021, in the amount of \$1,071,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the three-year Enterprise Licensing Agreement (ELA) with Environmental Systems Research Institute, Inc., (ESRI) of Redlands California, from July 1, 2018, to June 30, 2021, in the amount of \$1,071,000.
2. Authorize the City Manager, or designee, to execute all documents pursuant to the ELA with ESRI, including making minor non-substantive changes, including annual renewals; and
3. Authorize change order authority pursuant to the ELA with ESRI for up to 15%.

BACKGROUND:

The City of Riverside implemented CADME (Computer Aided Drafting, Mapping and Engineering) electronic mapping system between 1989 and 1996 for approximately \$15 million.

Additionally, the City subscribed to an initial ESRI Enterprise Licensing Agreement (ELA) in 2006 with an initial term ending in 2009.

On August 11, 2009, the City Council approved the current ELA with ESRI which was extended for two additional three-year terms on August 14, 2012, and July 28, 2015. The current ELA with ESRI expired on June 30, 2018. The ESRI ELA provides licensing and maintenance for a suite of geographic information systems (GIS) technology related to the City's current GIS systems, including CADME and ArcGIS. Many of the City departments, including, but not limited to, Police, Fire, Community Development, and Public Utilities use GIS services such as data maintenance

and processing of approximately 400 data layers to serve their customers. Since the City already utilizes ESRI technologies that are patented and proprietary, it would not be efficient or cost effective to change providers at this time.

The proposed ESRI ELA includes: Uncapped ArcGIS Desktop, ArcGIS Desktop extension, ArcGIS Enterprise, Enterprise Extensions, ArcGIS Engine, ArcGIS Engine extensions, ArcGIS Developer, ArcGIS Runtime Analysis Extensions, and Uncapped Mapping and Charting solutions licenses.

The Innovation and Technology Department reviews hardware/software maintenance agreements annually to ensure that the products are still in use and the best price is negotiated for those services. Whenever possible, Innovation and Technology also consolidates systems and/or retires aging systems in an effort to keep annual technology related maintenance costs as low as possible. As a result of this effort, the Innovation and Technology Department has determined that it is necessary to continue procurement of software maintenance services through the City's ELA with ESRI.

Resolution No. 23256, Section 702(q), provides that competitive procurement is not required if the Procurement is for the annual maintenance, license(s), support, or similar need for current technology systems, and the items procured are from the owner/developer of the software, and the Manager is satisfied that the best price, terms and conditions have been negotiated. Here, because ESRI is the City GIS standard and basis for current GIS systems, the City's high level of satisfaction with ESRI's products and services, and the ongoing need to have such services and maintenance, the Purchasing Services Manager has determined that such competitive procurement is not required and concurs with the recommendation in this report.

FISCAL IMPACT:

Sufficient funds are available, in the *Innovation and Technology - Innovation Division Software Maintenance/Support*, account number 2440000-424310. The expenditures for fiscal year 2018-2019 of \$340,000 and fiscal year 2019-2020 of \$350,000 have been allocated to other City departments through the annual cost allocation process. The fiscal year 2020-2021 (\$381,000) amounts will be included in the annual budget process for that fiscal year.

Prepared by: George Khalil, Chief Innovation Officer
Certified as to
availability of funds: Edward Enriquez, Acting Chief Financial Officer/Treasurer
Approved by: Lea Deesing, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:
1. Agreement