TO:	HONORABLE MAYOR AND CITY COUNCIL	DATE: JUNE 20, 2023
FROM:	INNOVATION AND TECHNOLOGY DEPARTMENT	WARDS: ALL

SUBJECT: ANNUAL RENEWAL OF SERVICES PROVIDED THROUGH FORTY-FOUR EXISTING SOFTWARE AND HARDWARE MAINTENANCE AND SUPPORT OR SUBSCRIPTION AGREEMENTS FOR FISCAL YEAR (FY) 2023/24 IN THE AMOUNT OF $2,801,631 PLUS A 15% CHANGE ORDER AUTHORITY

ISSUE:

Approve the annual renewal of services provided through forty-four (44) existing annual software and hardware maintenance and support or subscription agreements for FY 2023/24, where each agreement has aggregate expenditures over $50,000 over the life of the agreement, or will be surpassing $50,000, for an estimated total amount of $2,801,631 plus a 15% change order authority.

RECOMMENDATIONS:

That the City Council:

1. Approve the annual renewal of services provided through forty-four (44) existing annual software and hardware maintenance and support or subscription agreements for FY 2023/24, where each agreement has aggregate expenditures over $50,000 over the life of the agreement, or will be surpassing $50,000, for an estimated total amount of $2,801,631 (Attachment 1);

2. Approve a 15% change order authority for FY 2023/24, to be used if quotes are higher than expected, and/or for the use in 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 most of 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 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 $50,000 (or for those expected to surpass $50,000 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 if IT expects that the annual purchase orders may exceed $50,000.

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 the 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 $50,000 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 44 annual maintenance and support services, or subscriptions listed in Attachment 1, for an estimated total amount of $2,801,631 for FY 2023/24.

IT is also requesting a 15% change order authority for FY 2023/24. 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 2022/23):

Additions
1. eCivis (Allocate)
   eCivis is the creator of Allocate, a cost allocation software that helps track budgets and indirect costs. The total cumulative cost of the city's annual renewals has reached $50,000 prompting IT staff to seek City Council approval for its continued use.

2. Creditron (ECP)
   Enterprise Cloud Processing (ECP) is a web-based payment processing platform utilized by Riverside Public Utilities. Having previously entered into an agreement

with this vendor in 2020, the city is now able to renew its subscription on an annual basis as needed. With a cumulative total exceeding $50,000, IT staff seek City Council approval for its continued purchase.

3. ImageTrend

A new records management system that is fully compliant with the Riverside County EMS Agency (REMSA). ImageTrend is currently REMSA's sole approved electronic patient care record (ePCR) platform for capturing incident response and patient elements. A single source justification was approved by the Purchasing Manager. Quotes by ImageTrend are in line with quotes they have provided to other agencies.

Removals

1. Enghouse Networks (NetDesigner)

Riverside Public Utilities is currently working on an amendment to the agreement. This will be taken to the Board of Public Utilities and City Council in the new fiscal year. NetDesigner is a software application suite, based on ArcGIS, that provides integrated tools and solutions to design, document, operate and provision multi-domain fiber, wireless, copper and cable networks.

2. ESO Solutions (FireHouse)

This software will be retired in favor of ImageTrend (as described in the *Additions* section above).

The Purchasing Manager concurs that the recommended action to approve continued services is in compliance with Sections 403, 602 and 702 of Purchasing Resolution No. 23914.

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 to ensure best possible pricing.

4. **Innovation** – In addition to support services, these 44 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.

<u>**FISCAL IMPACT**</u>**:**

The total fiscal impact of this action is $2,801,631. The funds are budgeted and included in the budget submission to Council for FY 2023/24 in the following Innovation & Technology Department accounts as listed in the table below:

Fund	Program Description	Account	Amount
General Fund	IT-Administration, Telephone - Cellular	2400000-422120	$49,950
	IT-Network, Software Maint/Support	2405000-424310	$131,508
	IT-Operations, Software Maint/Support	2410000-424310	$931,023
	IT-Applications, Software Maint/Support	2415000-424310	$1,524,768
	IT-Cybersecurity, Software Maint/Support	2425000-424310	$19,096
	IT-Innovation, Software Maint/Support	2440000-424310	$7,210
Measure Z	IT-Administration, Technology Replacement Prog-PC	8003301-462310	$138,076
		Total	**$2,801,631**

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: George Khalil, Chief Innovation Officer
Certified as to
availability of funds: Edward Enriquez, Interim Assistant City Manager, Chief Financial Officer/City Treasurer
Approved by: Edward Enriquez, Interim Assistant City Manager, Chief Financial Officer/City Treasurer
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Technology Procurements for FY 2023-24