



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 24, 2025

FROM: INNOVATION & TECHNOLOGY DEPARTMENT WARDS: ALL

SUBJECT: ANNUAL RENEWAL OF SERVICES PROVIDED THROUGH 58 EXISTING SOFTWARE AND HARDWARE MAINTENANCE AND SUPPORT OR SUBSCRIPTION AGREEMENTS FOR FISCAL YEAR 2025/26 IN THE AMOUNT OF \$6,222,014 PLUS A 15% CHANGE ORDER AUTHORITY

ISSUE:

Approve the annual renewal of services provided through 58 existing annual software and hardware maintenance and support or subscription agreements for Fiscal Year 2025/26, where each agreement has aggregate expenditures in excess of \$100,000 over the life of the agreement, or will be surpassing \$100,000, for an estimated total amount of \$6,222,014; plus a 15% change order authority.

RECOMMENDATIONS:

That the City Council:

1. Approve the annual renewal of services provided through 58 existing annual software and hardware maintenance and support or subscription agreements for Fiscal Year 2025/26, where each agreement has aggregate expenditures in excess of \$100,000 over the life of the agreement, or will be surpassing \$100,000, for an estimated total amount of \$6,222,014 (Attachment 1);
2. Approve a 15% change order authority for the renewals listed in Attachment 1 for Fiscal Year 2025/26, 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 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 58 annual maintenance and support services, or subscriptions listed in the Attachment – Technology Procurements for FY 2025/26, for an estimated total amount of \$6,222,014.

IT is also requesting a 15% change order authority for the renewals listed in Attachment for Fiscal Year 2025/26. This change order authority is necessary to account for price differences from annual estimates and for minor supplemental purchases (i.e., additional licenses, customizations, upgrades, etc.).

The renewal services proposed (Attachment 1) include the following changes (as compared to Fiscal Year 2024/25):

Additions:

1. Email Security – Proofpoint (CDWG)

Proofpoint is an advanced email security solution that protects City staff from phishing, spam, malware, and other email-based threats. CDWG currently provides Proofpoint

licenses through a competitively bid cooperative agreement. With an annual renewal of approximately \$108,969, IT seeks to add this to the annual list of renewals to streamline procurement and maintain uninterrupted service.

2. Asset and Equipment Management – PStrax (Station Automation, Inc.)

PStrax provides a cloud-based platform used by public safety departments to track and manage equipment, vehicles, and station supplies. The Fire Department began using PStrax to effectively improve operational readiness. Annual costs are approximately \$51,975, but the cumulative value now exceeds \$100,000, warranting formal inclusion in the City's recurring technology purchases.

3. Data Analytics – Pyramid Analytics (SHI International Corp.)

Pyramid Analytics is a business intelligence and decision support platform that enables departments to build dashboards and analyze complex data sets. IT implemented Pyramid Analytics to improve transparency and data-driven decision-making. With annual renewals through SHI of \$50,745 and the total investment reaching \$100,000, this item is being added to the ongoing renewal list.

4. Water Management Software – Aquanuity, Inc.

Aquanuity provides data visualization and analytics tools for water usage, conservation efforts, and infrastructure planning. Used by Public Utilities, this system supports long-term sustainability efforts. With annual licensing of \$36,225 and cumulative costs now at \$100,000, staff recommend adding this vendor to the annual technology subscription list.

5. Digital Forensics – Cellebrite (Carahsoft Technology Corp.)

Cellebrite is a digital investigation tool used by the Riverside Police Department to extract and analyze data from mobile devices during investigations. Initially acquired by the Police Department through Carahsoft, the tool has become essential for digital evidence collection. The annual renewal is \$18,900, but total expenditures now exceed \$100,000, justifying inclusion in the City's recurring technology list.

6. Endpoint Protection – CrowdStrike (Carahsoft Technology Corp.)

CrowdStrike provides cloud-native endpoint detection and response (EDR), ensuring City systems are protected against ransomware, malware, and other threats. The software has become a key part of the City's cybersecurity framework. With annual renewals of \$110,752 and total costs now exceeding \$100,000, staff recommend adding this to the ongoing list of approved technology renewals.

7. AI Assistant Platform – Druid (CDWG)

Druid is an AI-driven chatbot and digital assistant solution that helps automate workflows,

answer queries, and streamline staff operations. IT began a pilot program with Druid in FY 2023. The platform is now being expanded to additional departments. Annual costs are \$59,059, with cumulative expenses now reaching the \$100,000 threshold.

8. IT Service Management – TeamDynamix (TDX)

TeamDynamix is a cloud-based platform for IT service management (ITSM), project management, and resource planning. IT adopted TeamDynamix to centralize support ticketing and manage technology projects more efficiently. With a current annual renewal of approximately \$91,906 and total investment exceeding \$100,000, staff propose its addition to the annual renewal schedule.

9. Application Support Services – HCL Technologies

HCL Technologies provides ongoing software development and technical support services to various City applications. Contracted originally to assist with legacy system support, the scope has expanded to include modernization efforts. Annual service costs are \$101,555, but cumulative billing has reached \$100,000, requiring formal Council acknowledgement for continued use.

10. Land Use Analysis – Placer Labs

Placer Labs offers a geospatial analytics platform used by the Community & Economic Development department to assess retail, demographic, and mobility trends. These insights help inform zoning decisions, economic incentives, and development planning. With an annual subscription of \$68,250 and a cumulative total exceeding \$100,000, the platform is recommended for ongoing approval.

11. Cloud Security – Zscaler (Carahsoft Technology)

Zscaler is a cloud-native security platform that provides secure internet access and private application access for City staff, regardless of location. It supports the City's zero-trust architecture by inspecting traffic in real-time to prevent cyber threats, data loss, and unauthorized access. IT procures Zscaler services through Carahsoft Technology via a competitively bid cooperative agreement. With an annual renewal cost of \$94,839 and total expenditures now exceeding \$100,000, staff recommend including Zscaler on the City's list of recurring technology renewals to ensure continued cybersecurity protection and streamlined procurement.

The annual renewal of services provided through 58 existing software and hardware maintenance and support or subscription agreements are in line with the City's Purchasing Resolution No. 24101, Sections 403, 602, and 702.

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: ...(r) 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 contractor has been used continuously since such selection and 2) if there are not any non-substantive changes to the Procurement and 3) when it is determined by the Manager to be in the best interests of the City to do so.”

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 Purchasing Resolution No. 24101, Sections 403, 602, and 702.

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 58 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 \$6,222,014. The funds are budgeted and included in the budget submission to Council for FY 2025/26 in the following Innovation & Technology Department accounts as listed in the table below.

Fund	Account Description	Account	Amount
Revolving	Finance, Accounts Payable Revolving*	0000998-141999	\$1,454,435
General Fund	IT-Administration- Cellular	2405000-421215	\$22,413
	IT-Network, Software Maintenance/Support	2405000-424310	\$304,178
	IT-Operations, Software Maintenance/Support	2410000-424310	\$1,483,123
	IT-Applications, Software Maintenance/Support	2415000-424310	\$2,274,635
	IT-Cybersecurity, Software Maintenance/Support	2425000-424310	\$150,915
	IT-Innovation, Software Maintenance/Support	2440000-424310	\$142,132
	CEDD, Software Purchase/Licensing	2815001-425700	\$68,250
Measure Z	Measure Z, IT-Administration, Technology Replacement Prog-PC	8003301-462310	\$233,733
Grants & Restricted Programs	Fire, Rancho Santiago/RCCD Mo Val Project Account	9891710-427200	\$51,975
Electric	Computer Equipment Purchase Under \$5K	6210000-425700	\$36,225
Total			\$6,222,014

**The Accounts Payable Revolving Fund reflects the purchase order amount not currently allocated to existing departmental budgets. As departments experience changes in licensing needs during the fiscal year due to staff turnover or other operational factors, associated amounts will be charged to the applicable departmental budgets.*

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:	Stephanie Gallegos, 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:	Rebecca McKee-Reimbold, Interim City Attorney

Attachment: Technology Procurements for FY 2025-26