



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

316

2. Council Meeting Date:

June 9, 2011

TO: **MAYOR & COUNCIL**

3. Date Prepared: May 9, 2011

THROUGH: **CITY MANAGER**

4. Requesting Department: City Manager

5. **SUBJECT:** Approve the utilization of the State of Arizona Contract #ADSP011-000286 to purchase Lotus Notes application support and maintenance renewal from IBM Corporation in an amount not to exceed \$97,850.

6. **RECOMMENDATION:** Recommend approval of the utilization of the State of Arizona Contract #ADSP011-000286 to purchase Lotus Notes application support and maintenance renewal from IBM Corporation in an amount not to exceed \$97,850.

7. **HISTORICAL BACKGROUND/DISCUSSION:** The City uses IBM Lotus Notes software for email, calendaring and Domino document storage for PD. The Lotus Notes environment includes email and calendaring licenses supporting City full time and temporary staff as well as onsite contract staff. The software is also used for rapid application development for departments that are requesting a quick application solution. The software supports applications such as Water Distribution, Water Lab, Water Quality, Water Web reporting and a number of other smaller applications. The annual maintenance will include Lotus Notes Domino servers (processor maintenance renewal), Lotus Notes client (license maintenance renewal & upgrades) and Lotus Enterprise Integrator. These are annual recurring costs to cover upgrades, maintenance and technical support for these applications. The City performed an audit of licenses in use to determine if the City was over licensed and has determined that all licenses are in use and no reduction to the number of licenses can be made at this time. The City is continuing to look at options and will be looking for ways to reduce the license counts in the future.

8. **EVALUATION PROCESS:** The State of Arizona has bid Designated Software License Agent volume license agreements and awarded a contract to IBM Corporation. The use of this contract eliminates the cost of issuing a bid and captures the State's volume purchasing power.

9. **FINANCIAL IMPLICATIONS:** Funds for this project are available from the following accounts: 101.1199.0000.5419.000000 General Fund, IT Administration, Other Repair and Maintenance \$19,650 and 713.1290.0000.5419.000000 Computer Lease Fund, Capital Non-Departmental, Other Support and Maintenance in an amount not to exceed \$78,200.

10. **PROPOSED MOTION:** Move to approve the utilization of the State of Arizona Contract #ADSP011-000286 to purchase Lotus Notes application support and maintenance renewal from IBM Corporation in an amount not to exceed \$97,850.

APPROVALS

11. Requesting Department

Sheneka Coleman
For Sheneka Coleman, IT Services Manager

12. Department Head

Steven Philbrick
Steven Philbrick, Chief Information Officer

13. Procurement Officer

Carolee Stees
Carolee Stees, CPPB

14. City Manager

Rich Dlugas
Rich Dlugas