



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

39

2. Council Meeting Date:

June 12, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: May 8, 2014

THROUGH: CITY MANAGER

4. Requesting Department: City Manager

5. SUBJECT: Lotus Notes annual support and maintenance

6. RECOMMENDATION: Recommend utilization of the Western States Contracting Alliance (WSCA) Contract AZ #ADSP011-007500 to purchase Lotus Notes annual support and maintenance from SHI International Corporation in an amount not to exceed \$98,068.

7. HISTORICAL BACKGROUND/DISCUSSION: The City uses IBM Lotus Notes software for citywide email and calendaring as well as Domino document storage for the Police Department. The Lotus Notes environment includes email and calendaring licenses supporting City full time and temporary staff including onsite contract staff. In addition, there are several City applications tightly integrated into Lotus Notes including various reporting application for the Municipal Utilities Department. The annual maintenance includes Lotus Notes Domino servers (processor maintenance renewal), Lotus Notes client (license maintenance renewal & upgrades) and Lotus Enterprise Integrator.

Lotus Notes support provides access to technical assistance resources to resolve software application issues as well as providing software fixes. The maintenance provides application upgrades necessary to operate keeping the systems current.

The City performs an annual audit of licenses in use. This audit indicates that all licenses are in use and no reduction to the number of licenses can be made at this time.

The annual maintenance renewal last year was \$100,040. This year's renewal represents a 1.96% decrease due to a license structure change. The effective term is July 1, 2014 through June 30, 2015.

8. EVALUATION PROCESS: IBM Corporation is the actual provider of the support and maintenance support services and only allows a small group of resellers to sell these services on their behalf. A comparative price inquiry verified that the City will save 2% by purchasing support and maintenance through the WSCA volume discount contract vs. purchasing from IBM directly.

9. FINANCIAL IMPLICATIONS: The maintenance period covered by this item is fiscal year 2014/15 and is funded in fiscal year 2014/15. Approval of this item is contingent upon Council adopting the fiscal year 2014/15 budget.

Cost:	\$98,068
Savings:	N/A
Long Term Costs:	N/A

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
403.1290.5419.000000	Technology Replacement	No Program	No	\$88,293

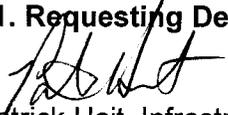
Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
101.1200.5419.000000	General Fund	No Program	No	\$9,775

10. PROPOSED MOTION: Move to approve the utilization of the WSCA Contract AZ #ADSP011-007500 to purchase Lotus Notes annual support and maintenance renewal from SHI International Corporation in an amount not to exceed \$98,068.

APPROVALS

11. Requesting Department



Patrick Hait, Infrastructure Manager

12. Department Head



Steven Philbrick, Chief Information Officer

13. Procurement Officer



Carolee Stees, CPPB

14. City Manager



Rich Dlugas