



DEPARTMENT

CHRISTOPHER J. GARNER
DIRECTOR2400 EAST SPRING STREET • LONG BEACH, CA 90806
(562) 570-2000 • FAX (562) 570-2008

www.lbgo.org

October 21, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California**RECOMMENDATION:**

Adopt a Resolution authorizing the City Manager to execute a contract and any amendments thereto with Oracle America, Inc., of Redwood Shores, CA, for the purchase, maintenance, and licensing for the User Productivity Kit software in an amount not to exceed \$106,140; and

Authorize the City Manager to execute all documents necessary to amend Contract No. 32941 with Ernst & Young, LLP, of Secaucus, NJ, for technical support and integration of the Online Performance Support System as part of the City's utility Customer Information System in an amount not to exceed \$105,120. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Oracle America, Inc., for software acquisition and maintenance, and to amend the managed services contract with Ernst & Young, LLP (EY). On July 5, 2011, following a request for proposals process, the City Council approved implementation of a new Customer Information System (CIS) to replace the 32 year-old utility billing system. Oracle America, Inc. (Oracle), was selected as the preferred software vendor and the City purchased its Customer Care and Billing (CC&B) and Mobile Workforce Management (MWM) programs. These programs were selected because of their ability to integrate customer accounts, billing, and service field activities into one system. The City went live with CIS in November 2013.

Since going live with CIS, staff has worked to refine the system's multiple features. It is typical that large software programs such as these are very flexible and allow customization to meet different operational needs. For Long Beach, significant modifications were necessary to accommodate the functional requirements of Gas, Refuse, and Water. While the CIS configuration is supporting the utilities' business requirements, it has created the need for specialized training to take full advantage of new system functionality.

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Oracle provides a companion software program to the City's CIS called the User Productivity Kit (UPK). This program is unique in its ability to work with CC&B to provide user support. It is an easy-to-use comprehensive content development, deployment, and maintenance platform for increasing user productivity. Oracle UPK works similar to the "help" tool you find in Microsoft Office, showing the user where to find information or how to complete certain tasks. It also includes training tools that will test the user on certain system functions, providing feedback on areas that may require further study. UPK is configurable to align with our business processes and can also be used to support non-Oracle programs.

Because UPK is a unique feature only available from Oracle, no useful purpose would be served by advertising for bids or seeking proposals for furnishing the program and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds.

To assist with the UPK implementation, staff is requesting approval to engage EY in a technical services contract. EY is currently under contract to provide ongoing system maintenance for the City's CIS and is most familiar with its customization. The proposed technical services scope engages EY in optimizing and documenting the business processes related to customer service, billing, credit and collections, field operations, and meters; and, integration of UPK into the Online Performance Support System (i.e., CIS help directory).

This matter was reviewed by Deputy City Attorney Amy Webber on October 10, 2014 and by Budget Management Officer Victoria Bell on October 7, 2014.

TIMING CONSIDERATIONS

City Council action is requested on October 21, 2014 in order to purchase the User Productivity Kit software and the technical support and integration of the Online Performance Support System as part of the City's utility Customer Information System.

FISCAL IMPACT

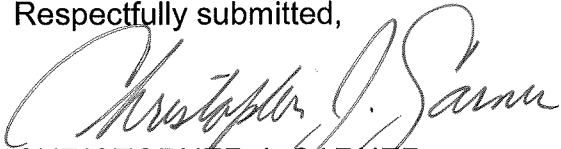
The combined cost of the two contracts for the full UPK implementation is \$211,260, which includes \$19,140 for the first year of ongoing Oracle maintenance and support. The cost to purchase and install the Oracle UPK program will be paid from funding previously appropriated for the CIS project, which is allocated across the four utility operations (gas, water, sewer, and refuse). The cost of future Oracle maintenance and support is estimated at \$19,140 per year. Sufficient funding is budgeted in the General Services Fund (IS 385) in the Department of Technology and Innovation (TI). There is no local jobs impact associated with the recommended action.

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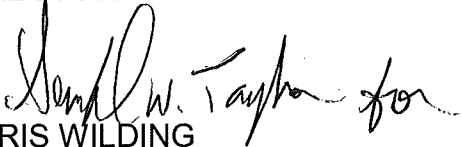
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL



CHRIS WILDING
INTERIM DIRECTOR OF TECHNOLOGY AND INNOVATION

Attachment

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ORACLE AMERICA, INC., WITHOUT ADVERTISING FOR BIDS, FOR THE PURCHASE, MAINTENANCE, AND LICENSING FOR THE USER PRODUCTIVITY KIT SOFTWARE IN AN AMOUNT NOT TO EXCEED \$106,140

WHEREAS, on July 5, 2011, the City implemented a new Customer Information System ("CIS") to replace the 32 year-old utility billing system; and

WHEREAS, Oracle America, Inc. ("Oracle") was selected as the software vendor and the City purchased Customer Care and Billing ("CC&B") and Mobile Workforce Management ("MWM") programs; these programs were selected because of their ability to integrate customer accounts, billing, and service field activities into one system; and

WHEREAS, the new CIS created the need for specialized training to take full advantage of new system functionality; and

WHEREAS, Oracle provides a companion software program to the City's CIS called the User Productivity Kit. This program is unique in its ability to work with CC&B to provide user support and is an easy to use comprehensive content development, deployment, and maintenance platform for increasing user productivity; and

WHEREAS, the User Productivity Kit is a unique feature only available from Oracle America, Inc. and as a result, no useful purpose would be served by advertising for bids and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds because Oracle America, Inc. is the only corporation, firm or

1 individual that could or would bid for the User Productivity Kit;

2 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
3 follows:

4 Section 1. The City Manager is hereby authorized to enter a contract
5 with Oracle America, Inc. without advertising for bids for the purchase, maintenance, and
6 licensing for the User Productivity Kit software in an amount not to exceed \$106,140,
7 including tax. If the sole source status of Oracle America, Inc. changes, City shall
8 publicly bid instead of extending the contract.

9 Section 2. This resolution shall take effect immediately upon its adoption
10 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

11 I hereby certify that the foregoing resolution was adopted by the City
12 Council of the City of Long Beach at its meeting of _____, 2014
13 by the following vote:

14
15 Ayes: Councilmembers: _____

16 _____

17 _____

18 _____

19 Noes: Councilmembers: _____

20 _____

21 Absent: Councilmembers: _____

22 _____

23 _____

24 _____

25 _____

City Clerk

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28 _____