



# CITY OF LONG BEACH

# C-31

TECHNOLOGY AND INNOVATION DEPARTMENT

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August 13, 2019

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt Specifications No. ITB TI19-093 and award a contract to Mythics, Inc., of Virginia Beach, VA, for the purchase and delivery of Oracle Database Appliance hardware (server, storage, enclosure), installation service, and Oracle Premier Support, for a total amount not to exceed \$501,278, inclusive of taxes and fees;

Authorize the City Manager, or designee, to execute a lease-purchase agreement, and related financing documents, with Banc of America Public Capital Corporation, for the financing of the Oracle Database Appliance hardware, in an amount not to exceed \$560,000, including escrow fees, principal, and interest, payable over a five-year period; and,

Increase appropriations in the General Services Fund Group in the Technology and Innovation Department by \$501,278, offset by the proceeds of the lease-purchase financing. (Citywide)

## DISCUSSION

City Council approval is requested to enter into a contract with Mythics, Inc., for the purchase and delivery of Oracle Database Appliance (ODA) hardware (server, storage, enclosure), installation service, and Oracle Premier Support. This ODA purchase was included in the equipment category of the critical technology infrastructure needs presentation to the City Council on December 5, 2017.

As background, Oracle databases support key City business applications and systems, including Customer Information System (CIS), Land Management Systems, Worker's Compensation, Occupational Health Management, and Fleet Management. Ensuring Oracle database performance, reliability, security, and supportability is a top-priority for the City's Technology and Innovation Department (TID). The new ODAs will modernize the hardware that support these critical systems and will provide improved performance, and integration with Oracle database software, as well as provide additional capacity for growth.

The new ODAs will be installed in the Civic Center and at the backup Data Center (ECOC). The Civic Center ODA would host production databases, and the ECOC ODA would host non-production and back-up databases. All existing Oracle databases will be rationalized and migrated into these ODAs over the next year. The ODAs will run

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Oracle's Enterprise Edition with enhanced database diagnostic and tuning features. After this migration, key City applications are expected to see an increase in database performance.

The bid was advertised in the Long Beach Press-Telegram on May 26, 2019, and 2,736 potential vendors specializing in technology hardware and accessories were notified of the bid opportunity. Of those bidders, 18 downloaded the bid via the City's electronic bid system. The bid document was also made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing). A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 28 local, minority, and women-owned business groups. Five bids were received on June 24, 2019. Of those five bidders, none were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), one was a certified Small Business Enterprise (SBE), and one was a Long Beach business (Local). Mythics, Inc., of Virginia Beach, VA (not a WBE, SBE, MBE, or Local), was the lowest responsible bidder.

City Council approval is also requested to execute a five-year lease-purchase agreement, through the City's Master Lease Agreement with Banc of America Public Capital Corporation, for the financing of the Oracle Database Appliance system, in an amount not to exceed \$560,000, including escrow fees, principal, and interest.

### **Local Business Outreach**

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division assists businesses with registering on the PlanetBids database to download the bid specifications. Through outreach, 186 Long Beach vendors were notified to submit bids, of which two downloaded and one submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber and Purchasing Agent Tara Yeats on July 22, 2019, and by Budget Analysis Officer Julissa José-Murray on July 25, 2019.

### **TIMING CONSIDERATIONS**

City Council action to adopt Specifications No. ITB T119-093 and award the contract concurrently is requested on August 13, 2019, to ensure the timely furnishing and delivery and installation of the ODAs.

### **FISCAL IMPACT**

The total cost of the purchase and delivery of the ODAs, installation service, and Oracle Premier Support will not exceed \$501,278. An appropriation increase for the purchase and delivery of the ODAs in the amount of \$501,278 in the General Services Fund Group in the Technology and Innovation Department is requested.

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The purchase of the ODA system will be financed through a lease-purchase agreement with Banc of America Public Capital Corporation, the total of which will not exceed \$560,000, inclusive of escrow fees, principal, and interest. The lease payments will be made throughout the next five years and will not exceed \$112,000 per year. The first lease payment will be scheduled for October 2019 (FY 20). This funding plan is consistent with the plan detailed in the December 5, 2017 critical technology infrastructure needs presentation to the City Council. The debt service costs for future years have been incorporated into the FY 20 General Services Fund budget. Revenue will be recouped from user departments to offset the cost of the annual lease payments, consistent with the critical technology infrastructure needs funding plan. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA ERIKSEN

DIRECTOR OF TECHNOLOGY AND INNOVATION

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APPROVED:



PATRICK H. WEST  
CITY MANAGER