

CITY OF LONG BEACH

DEPARTMENT OF TECHNOLOGY SERVICES

C-11

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October 12, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Agreement with BMC Software Inc. to Provide Maintenance for Enterprise Server Software Licenses (Citywide)

DISCUSSION

The Technology Services Department supports the City's enterprise server, or mainframe, which runs a variety of business applications including public safety, finance and utility information systems. In addition to the application software, the mainframe uses system support software to perform technical functions of the mainframe including administering databases, managing programs, and executing and monitoring transactions.

For the past several years, the City has used BMC software on the mainframe to perform these technical functions. We recommend continuing to use BMC software. In an effort to minimize the costs of operating the mainframe, City staff is recommending that we enter into a three-year agreement with BMC for use of the software. By entering the three-year agreement rather than an annual agreement, BMC has offered to substantially discount its license fees which would save the City approximately \$30,000 per year.

Technology Services expects to be moving applications off the mainframe over the next three years and upgrade to an integrated enterprise system. The agreement's term is consistent with our information systems plan to transition to the newer technology within this time frame.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin and by Budget Management Officer David Wodynski on September 29, 2004.

TIMING CONSIDERATIONS

The new maintenance term starts October 1, 2004. Accordingly, City Council action is requested at the October 12, 2004 City Council meeting.

FISCAL IMPACT

Expenditures for the three-year term will not exceed \$65,900 annually. Sufficient funding has been budgeted in the General Services Fund (IS 385) in the Technology Services Department (TS).

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IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute an agreement with BMC Software Inc. to provide maintenance for enterprise server software licenses for a term of three years in an amount not to exceed \$65,900 annually.

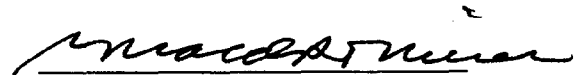
Respectfully submitted,



CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICES

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APPROVED:



GERALD R. MILLER
CITY MANAGER