

**CITY OF LONG BEACH**

DEPARTMENT OF TECHNOLOGY SERVICES

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May 24, 2005

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Adopt the attached Resolution authorizing the City Manager to execute a Master Purchase Agreement and all related documents with Oracle USA, Inc., utilizing the County of Los Angeles Software License Agreement No. 41974/OLSA-1017086-15-APR-2003 (County Agreement), to provide computer software licenses and related services for as long as the County Agreement is in effect or the City gives 30 days' notice of termination. The purchase will not exceed \$244,000. (Citywide)

**DISCUSSION**

The Technology Services Department (TSD) is responsible for the acquisition and maintenance of software licenses required to operate computer systems used by City departments. Oracle software is one of the City's standards for computer database systems. Examples of computer systems using Oracle include Police Records Management, Utility Dispatch, Worker's Compensation, Parking Citations, Occupational Health Management, and Fleet Management.

On May 29, 2001, the City Council authorized the purchase of an Oracle site license. It provided for 1,000 users of Oracle database systems. The site license required the City to purchase additional individual licenses if users exceeded the 1,000 limit. Recently, the City has implemented a number of new Oracle database systems, which has greatly increased Oracle system users. As a result, we are required to purchase additional licenses to be compliant with licensing requirements.

Section 1802 of the City Charter provides an alternative procurement method by permitting the City to purchase services, supplies, and equipment with other governmental agencies by using their agreements on a voluntary and selective basis when authorized by a Resolution of the City Council. The County of Los Angeles has an agreement that meets the City's needs and purchasing through this agreement will guarantee the lowest possible cost to the City. The term of the County Agreement expires April 15, 2013 if all renewal options are exercised. The City's participation may be terminated at any time with 30 days' prior written notice.

HONORABLE MAYOR AND CITY COUNCIL

May 24, 2005

Page 2

Staff recommends implementing a Master Agreement to facilitate timely acquisitions. The purchase of required licenses will total \$244,000. This includes a 50 percent discount from the standard offered price. If the Agreement is executed by May 31, 2005, additional license purchases through May 31, 2006 would also receive a 50 percent discount. To further help minimize costs, the Agreement converts the approach to acquire licenses from a per user basis to a per processor basis. Future purchases will be processed through Transaction Documents, and expenditures are set by the appropriations in the annual expense budget for TSD.

Senior Deputy City Attorney Donna F. Gwin and Budget Management Officer David Wodynski reviewed this matter on May 4, 2005.

TIMING CONSIDERATIONS

City Council action is requested on May 24, 2005, as the discount pricing offer expires May 31, 2005.

FISCAL IMPACT

Sufficient funding has been budgeted in the General Services Fund (IS 385) in the Technology Services Department for the purchase of \$244,000.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



CURTIS TANI  
DIRECTOR OF TECHNOLOGY SERVICES

CT:ds  
Attachment

APPROVED:

*Christine J. Shippin*  
for GERALD R. MILLER  
CITY MANAGER