

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: ERIC MCHENRY, CHIEF INFORMATION OFFICER,
INFORMATION TECHNOLOGY DEPARTMENT
TARA NORMAN, DEPARTMENT SECRETARY, INFORMATION
TECHNOLOGY DEPARTMENT
SUBJECT: WAIVER OF COMPETITIVE BID AND APPROVAL OF THREE
YEAR SMALL ENTERPRISE AGREEMENT WITH ESRI FOR GIS
SOFTWARE

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Information Technology Department that the Council, by resolution: 1) waive competitive bidding pursuant to Section 3-08.100, subdivision (D) of the Santa Rosa City Code; and 2) approve a new three-year Small Enterprise Agreement with Environmental Systems Research Institute, Inc. (ESRI) for Geographic Information System (GIS) software in the amount of \$495,000, which when combined with the City's prior three year agreement represents a total contract amount with ESRI of \$945,000 over six years.

EXECUTIVE SUMMARY

ESRI provides the GIS software used to create all internal and public-facing maps in use by the City. In addition, ESRI tools provide the platform behind all the GIS data, maps and applications that are used to improve access to city information and services. The ESRI government enterprise agreement will allow the City to continue using ESRI tools at a lower overall cost.

BACKGROUND

GIS maps and applications continue to be the standard method for creating and sharing spatial data and information relating to City infrastructure and services. Although the City has been using ESRI GIS products for nearly 20 years, we previously paid a la carte for specific modules, login licenses, etc. As GIS work expands, including supporting the new GIS-based asset management software, it has become financially desirable to expand to a city-wide enterprise agreement with ESRI. It is in the City's best interest to continue that partnership.

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The current 3-year agreement expires on August 16, 2021.

PRIOR CITY COUNCIL REVIEW

On July 24, 2018, the City Council, by Resolution No. RES-2018-124, approved the prior Small Enterprise Agreement with ESRI for a 3-year term.

ANALYSIS

The Small Enterprise Agreement will continue to provide unlimited City-wide access to all ESRI software. This will allow better flexibility and quicker access to deploy new GIS application features and functions as they arise, as well as maintain a lower cost-per-unit for licensed software. All departments and in-house contractors will be eligible to use the software and services included in the Small Enterprise Agreement.

Staff is also requesting that Council waive competitive bidding pursuant to Section 3-08.100(D) of the City Code. Section 3-08.100(D) of the City Code provides that purchases of supplies, material, equipment and services may be made without recourse to competitive bidding requirements where the source of supply, necessary restrictions in specifications, necessary standardization, quality considerations, or other valid reasons for waiving competition appears. As staff noted in the background section of this report, it is financially desirable for the City to expand to a city-wide enterprise partnership with ESRI, rather than relying only on a la carte services and products. In addition, ESRI is the only vendor available for GIS software and sells their software and support directly to end-users.

This Small Enterprise Agreement with ESRI is a non-standard agreement, meaning it includes unfavorable provisions and lacks many of the standard terms, conditions and protections the City typically insists upon in the City's standard contracts to best protect the City's interests. This is typical of software and technology contracts. In addition, City staff are familiar with similar terms in its prior agreement with ESRI, and nevertheless believe that the benefits associated with the City's continued and expanded use of ESRI tools outweigh the legal risks associated with non-standard terms.

FISCAL IMPACT

Approval of this action does not have any additional fiscal impact on the General Fund or any Enterprise Funds. Funding has been approved in the current budget for the IT Department.

ENVIRONMENTAL IMPACT

The Council finds that the proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) and 15378 in

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that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – Quote for ESRI
- Resolution/Exhibit A - Small Enterprise Agreement with ESRI

CONTACT

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