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Department of Utilities  
Business Services Division

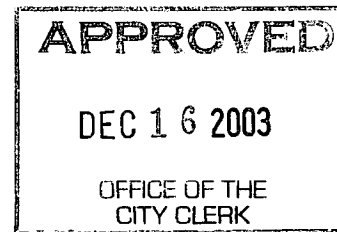
CITY OF SACRAMENTO  
CALIFORNIA

1595 35<sup>th</sup> Avenue  
Sacramento, CA 95822-2911  
phone (916) 264-1400  
fax (916) 264-1497/1498

December 2, 2003

City Council  
Sacramento, California

Honorable Members in Session:



**SUBJECT: AUTHORIZATION FOR EXTENSION OF AND PAYMENT FOR ANNUAL SOFTWARE MAINTENANCE SERVICES PROVIDED BY PEOPLESFT, INC.**

**LOCATION AND COUNCIL DISTRICT:** Citywide

**STAFF RECOMMENDATION**

It is recommended that the City Council adopt the attached resolution that authorizes:

1. Extension of the annual software maintenance agreement with PeopleSoft, Inc. (City Agreement 2002-225) for the calendar year 2004, as provided for in City Agreement 2002-225, in the amount of \$145,425.
2. Extension of City Agreement 2002-225 for each of the succeeding calendar years through calendar year 2008, as provided for in City Agreement 2002-225, not to exceed the maximum cost specified in City Agreement 2002-225, provided that sufficient funds are budgeted for this purpose in the Utilities and Solid Waste operating funds.

**CONTACT PERSON**      **Mike Stamper, Business Services Manager, 264-1468**  
**Harold Duffey, Solid Waste Division Manager, 433-4932**

**FOR COUNCIL MEETING OF:**      December 16, 2003

**SUMMARY**

City Council approved the procurement of a new automated Utility Billing Customer Information System in December 2002. The initial procurement included payment of the initial year of software maintenance. Procurement of the system software and associated services for implementation were funded by the Capital Improvement Budget. Council approved agreement, 2002-225,



CITY OF SACRAMENTO  
DEPARTMENT  
OF UTILITIES

*Making a Difference in Your Neighborhood*

City Council  
Software Maintenance Payments for UCIS  
December 16, 2003

includes annual software maintenance services. The annual maintenance fee for 2004 is due and approval is sought for 2004 and for four (4) succeeding years. Payment for annual maintenance is included in the Utilities and Solid Waste operating budgets. The implementation of the City's new automated Utility Billing Customer Information System (CIS) began in May 2003 and is currently scheduled to go-live in fall 2004.

#### **COMMITTEE/COMMISSION ACTION**

No committee action is required.

#### **BACKGROUND INFORMATION**

City Council approved the procurement of a new automated Utility Billing Customer Information System (CIS) in December 2002. The implementation of the new CIS began in May 2003. Annual software maintenance is required in order that the application software is kept current for enhancements and updates as provided by the vendor, PeopleSoft, Inc. The software maintenance agreement with PeopleSoft provides for the annual extension of these support services for a fixed cost through the calendar year 2008.

#### **FINANCIAL CONSIDERATIONS**

The annual cost for software maintenance is \$145,425 and is funded within the operating budgets of the Water Fund, Sewer Fund, Storm Drainage Fund and the Solid Waste Fund. Annual software maintenance costs are to be included in the operating budgets of these enterprise funds. Costs shared among the funds are distributed based on the number of customers for each utility service.

#### **ENVIRONMENTAL CONSIDERATIONS**

Pursuant to Section 15378 (b) (3), this is not a project and is therefore exempt from the California Environmental Quality Act according to CEQA guidelines Section 15061(b)(1) and 15378(b)(3).

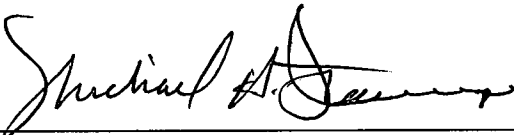
#### **POLICY CONSIDERATIONS**

The implementation of the new CIS is for the purpose of providing improved, timely customer service to all the citizens of the City in accordance with the City Council's vision that the City of Sacramento is the city of choice to live, work and play. The implementation of the new CIS will be a resource for improving the fiscal stability of the City's enterprise funds. Annual maintenance of the software system is required to maintain a stable automated system.

**ESBD CONSIDERATIONS:**

PeopleSoft, Inc. is the current, approved vendor for the automated software system. For any additional purchases of services or equipment related to the CIS project, effort will be made to include ESBD/SBE vendors whenever possible.


Respectfully submitted,

  
\_\_\_\_\_  
Michael H. Stamper  
Business Services Division Manager

  
\_\_\_\_\_  
Harold Duffey  
Solid Waste Division Manager

**RECOMMENDATION APPROVED:**

**APPROVED:**

  
\_\_\_\_\_  
Robert P. Thomas  
City Manager

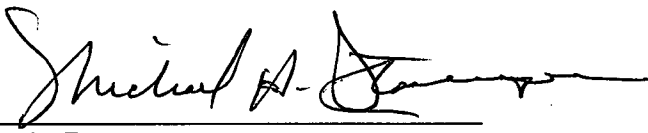
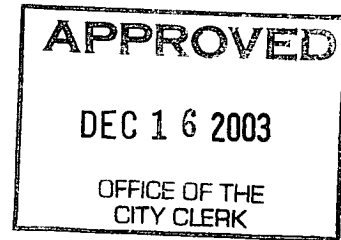
  
\_\_\_\_\_  
for Gary A. Reents  
Director of Utilities

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RESOLUTION NO. 2003-882

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**RESOLUTION AUTHORIZING EXTENSION OF AND PAYMENT FOR ANNUAL SOFTWARE MAINTENANCE SERVICES PROVIDED BY PEOPLESOFT, INC.**

WHEREAS the City Council has funded and approved the procurement of a new automated utility billing Customer Information System (CIS); and

WHEREAS, the City Council has approved a CIS software maintenance agreement with PeopleSoft (City Agreement 2002-225) that provides for the annual extension of these support services for a fixed cost through the calendar year 2008.

NOW THEREFORE, be it resolved by the Sacramento City Council that:

The City Manager is hereby authorized to take the following actions on behalf of the City of Sacramento:

1. Extend the annual software maintenance agreement with PeopleSoft, Inc. (City Agreement 2002-225) for the calendar year 2004, in the amount of \$145,425.
2. Extend City Agreement 2002-225 for each of the succeeding calendar years through calendar year 2008, not to exceed the maximum cost specified in City Agreement 2002-225, provided that sufficient funds are budgeted for this purpose in the Water, Sewer, Storm Drainage and Solid Waste operating funds.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_