

APPROVED
BY THE CITY COUNCIL

JAN 26 1999

OFFICE OF THE
CITY CLERK



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CITY OF SACRAMENTO
CALIFORNIA

DEPARTMENT OF
ADMINISTRATIVE SERVICES

SALLY W. NAGY
CHIEF INFORMATION OFFICER

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January 20, 1999

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: ADDITION OF SALES TAX TO PREVIOUS APPROVAL OF OPERATING BUDGET CARRYOVER SPENDING AUTHORITY AND PURCHASE OF PROGRAMMER PRODUCTIVITY TOOLS AND ANNUAL MAINTENANCE FROM COMPUWARE CORPORATION IN THE AMOUNT OF \$324,996

LOCATION AND COUNCIL DISTRICT: City-wide; All districts

RECOMMENDATION:

Staff recommends that the City Council adopt the attached Resolution which corrects the dollar amounts in Resolution 98-621. Sales tax was inadvertently omitted from the original request. The corrected total is \$324,996, an increase of \$23,376 over the approved amount.

CONTACT PERSON: Dennis Ybarra, Programming Supervisor/GIS Administrator, 264-7527

FOR COUNCIL MEETING OF: January 26, 1999

SUMMARY:

On December 15, 1998, the City Council authorized funding from the Administrative Services Department operating budget carryover in the amount of \$195,078, the one-time cost of the productivity tools, and approved a Software License Agreement in the total amount of \$301,620 with Compuware Corporation. The total amount includes the one-time cost plus \$106,542 in annual maintenance payments for 4 years ending in 2002. Adding sales tax to these amounts yields \$210,197 for the one-time purchase and \$114,799 for the annual maintenance charges, for a new total of \$324,996.

City Council
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Sales Tax Correction to Operating Budget Carryover and Software License Agreement

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

This report is submitted solely for the correction of the dollar amounts in the report and resolution approved by the City Council on December 15, 1998. The original amounts did not include sales tax.

FINANCIAL CONSIDERATIONS:

A summary of the correction to include sales tax is shown in the following table:

	Original Request	Sales Tax	Total Including Tax
One-time Software Purchase	\$ 195,078	\$ 15,119	\$ 210,197
Annual Maintenance – Total of 3 Payments	106,542	8,257	114,799
Total	301,620	23,376	324,996

ENVIRONMENTAL CONSIDERATIONS:

Ongoing administrative and maintenance activities, which are not made for purposes of a public works construction project, do not constitute a “project” and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

POLICY CONSIDERATIONS:

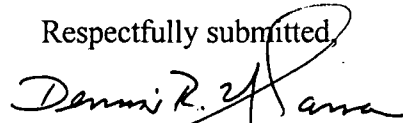
The payment of sales tax on software purchases is required by state law.

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MBE/WBE:

Compuware Corporation is not certified as an M/WBE. There are no known major software providers who are M/WBE firms.

Respectfully submitted,



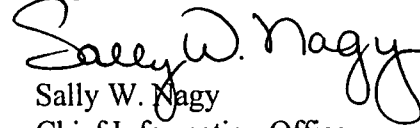
Dennis R. Ybarra
Programming Supervisor/GIS Administrator

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR
City Manager

Approved:



Sally W. Nagy
Chief Information Officer

APPROVED
BY THE CITY COUNCIL

JAN 26 1999

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 99-039

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION ADDING SALES TAX TO PREVIOUS APPROVAL OF OPERATING BUDGET CARRYOVER SPENDING AUTHORITY AND PURCHASE OF PROGRAMMER PRODUCTIVITY TOOLS AND ANNUAL MAINTENANCE FROM COMPUWARE CORPORATION IN THE AMOUNT OF \$324,996

Be it resolved by the Council of the City of Sacramento that:

Resolution 98-621, adopted by the City Council on December 15, 1998, is hereby corrected to include sales tax in all dollar amounts as follows:

1. The Systems & Programming Division's budget (101-130-1320-4462) be augmented in the amount of \$210,197 from the Administrative Services Department operating budget carryover for the one-time cost of the purchase of Compuware programmer productivity tools.

2. The City Manager is hereby authorized to execute a Software License Agreement with Compuware Corporation in the total amount of \$324,996, which includes \$210,197 for purchase of the software and \$114,799 in annual maintenance for 4 years ending in 2002.

MAYOR

ATTEST:

CITY CLERK

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RESOLUTION NO.: _____

DATE ADOPTED: _____

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