

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE AND TRADE and BUDGET AND FINANCE COMMITTEES REPORT relative to executing licensing and amendments to contracts with CGI Technology Solutions, Inc. (CGI) to continue maintenance for Financial Management System (FMS) Financial and Performance Budgeting and to add maintenance for FMS Procurement, Inventory, Vendor Self Service, and eProcurement.

Recommendation for Council action:

AUTHORIZE the General Manager, Information Technology Agency (ITA), to execute the:

- a. First Restated and Fifth Amended Contract C-114342 with CGI for Proprietary Software Maintenance totaling \$12.3 million for a term of 18 years effective July 1, 2008 through June 30, 2026.
- b. Fourth Amendment to the Amended and Restated Proprietary License Contract C-114341 with CGI to add third-party Software Licenses with no change to the term or compensation, subject to the approval of the City Attorney.

Fiscal Impact Statement: The ITA reports that approval of the above recommendation will result in General Fund expenditures for Fiscal Years 2016 - 2026 with a cumulative total of \$12.3 million. Funding for Fiscal Year 2016-17 is already part of the adopted budget. Funding for future fiscal years is subject to appropriation in the City's annual budgetary process. As funds are available for current year expenditures, and future fiscal year expenditures are subject to the availability of budgeted funds, the recommendations of this report are in compliance with the City's Financial Policies.

Community Impact Statement: None submitted.

TIME LIMIT FILE – DECEMBER 27, 2016

(LAST DAY FOR COUNCIL ACTION – DECEMBER 14, 2016)

SUMMARY

At the meeting held on November 1, 2016, your Innovation, Grants, Technology, Commerce and Trade Committee considered a Information Technology Oversight Committee (ITOC) report relative to execute licensing and amendments to contracts with CGI to continue maintenance for FMS Financial and Performance Budgeting and to add maintenance for FMS Procurement, Inventory, Vendor Self Service, and eProcurement. The ITA reports that the City's FMS is the City's system of record for accounting transactions, financial reporting, and budget development for all Council-controlled departments. The City is currently replacing the Supply Management System as part of the FMS 2.0 Project to implement the FMS Procurement, Inventory, Vendor Self Service, and eProcurement Modules. The current FMS maintenance-contract (Software Maintenance C-114342) expired on June 30, 2016, and must be extended to provide vendor support for this proprietary system. Additionally, Contract C-114341 which includes all FMS and related third-party software licenses must be amended to include software products related to implementation of the VSS and eProcurement modules. An opportunity for public comment was

held. After a brief discussion, the Committee moved to approve the recommendation contained in the ITOC's report. Subsequently, on November 7, 2016 the Budget and Finance Committee also considered this matter and after providing an opportunity for public comment, the Budget and Finance Committee concurred with the Innovation, Grants, Technology, Commerce and Trade Committee. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD:	YES
BONIN:	ABSENT
KREKORIAN:	YES
BUSCAINO:	YES

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	ABSENT
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-