



Office of the City Manager

CONSENT CALENDAR

November 28, 2006

To: Honorable Mayor and  
Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Submitted by: Chris Mead, Director, Information Technology

Subject: Contract: Financial Software Maintenance

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to enter into a contract and any amendments with Sungard H.T.E. Inc. for maintenance of software for the City's financial system, FUNDS\$ from July 1, 2006 to June 30, 2009, for a total amount not to exceed \$400,000.

FISCAL IMPACTS OF RECOMMENDATION

The requested funds are available from the Information Technology Department's FY 2007 General Fund budget (010-2701-410-3047). A contract has been entered in the City's database with CMS # SD8QS.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley pays H.T.E. an annual fee to provide maintenance support for the financial software that is used in the City's financial system. H.T.E.'s maintenance provides 24x7 telephone and dial-in support, online training, documentation, and periodic upgrades to the software. These upgrades incorporate bug fixes, new features, and any changes necessitated by legislation such as amendments to the tax code.

For the last three years, the City has not been charged for maintenance as part of the 2003 settlement for the failed H.T.E. public safety system. The period of the 2003 settlement has now come to an end, and staff is therefore seeking authorization to execute a new maintenance agreement.

BACKGROUND

The City of Berkeley acquired H.T.E.'s financial software in 1991. (The company was purchased by Sungard Inc. in 2005, and now officially trades under the name Sungard H.T.E.) Collectively, the H.T.E. components that comprise the City's financial system are known as FUNDS\$. These components include the City's payroll, general ledger, budgeting, purchasing, accounts receivable and accounts payable, refuse billing, work orders, permitting, and fleet maintenance. The software runs on an IBM iSeries server.

ALTERNATIVE ACTIONS CONSIDERED

The financial software is licensed to the City of Berkeley by Sungard H.T.E. Inc., the company that originally created it. H.T.E. maintains copyright, and it is therefore not possible to execute an agreement with any other entity to maintain these products. City staff could conceivably maintain the software themselves, but this would necessitate hiring several new programmers, and would not be cost-effective. Further, there may also be unacceptable reductions in service delivery.

CONTACT PERSON

Chris Mead, Director, Information Technology, 981-6510

RESOLUTION NO. ##,###-N.S.

CONTRACT FOR FINANCIAL SOFTWARE MAINTENANCE

WHEREAS, virtually all of the City of Berkeley's financial systems are driven by Sungard H.T.E. software; and

WHEREAS, a maintenance agreement with H.T.E. is necessary for system updates and to ensure timely correction of software problems, and

WHEREAS, funds are to be paid from the Information Technology Department's FY 2007 General Fund budget (010-2701-410-3047), and contracts have been entered into the City database with CMS number #SD8QS.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract with Sungard H.T.E. Inc. for a contract amount not to exceed \$400,000 for the term July 1, 2006 to June 30, 2009. A record signature copy of said contract to be on file in the Office of the City Clerk.

