





Office of the City Manager

CONSENT CALENDAR
December 18, 2007

To:  Honorable Mayor and Members of the City Council
 From:  Phil Kamlarz, City Manager
 Submitted By: Donna LaSala, Director, Information Technology
 Subject: Contract: Software AG - Enterprise Service Bus Software ("Middleware")

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to enter into an agreement with Software AG for the purchase of enterprise service bus software and related services, including two years of annual maintenance, for a total contract amount not to exceed \$140,000, for the period December 19, 2007 to December 19, 2009.

FISCAL IMPACTS OF RECOMMENDATION

Funds to support this project have been allocated within the Customer Service Improvement (CSI) Initiative project as follows:

Software Acquisition:	\$100,000
Annual Maintenance:	\$ <u>40,000</u> (\$20,000 per year for two years)
Total:	\$140,000

Budget Code: 010-3301-410-3038 (General Fund-Customer Service -311-General Government-General Government-Purchased Prof & Tech Services)

Contract Management System (CMS) #IABHS

CURRENT SITUATION AND ITS EFFECTS

The City has acquired a variety of specialized software systems to support business operations. It is often necessary for these specialized applications to interact with the City's core financial system (FUNDS). In the past, such interactions were achieved by either duplicated data entry into two separate systems or by special custom software. Both methods are inefficient and difficult to maintain.

The City's current Customer Service Improvement Initiative catalyzed the need to obtain a better method of integrating City software systems. The Community Relationship Management (CRM) system, which will be used by Customer Service Representatives, requires back-end financial functions to be available via a common customer service interface. The Software AG Enterprise Service Bus Software (otherwise known as

'middleware') will enable such integrations more easily, reliably and economically than our current approach by providing a central hub that all applications communicate with. The benefit of this approach will be realized not only in the Customer Service Initiative, but in many future software automation projects.

ALTERNATIVE ACTIONS CONSIDERED

Staff considered several alternatives:

- Continue current practice. City staff could create custom software to allow individual programs to communicate. Given the scale of the Customer Service Improvement Initiative, as much as 60% of our FUND\$ system (potentially hundreds of programs) would need to be integrated. This situation would be further exacerbated by the City's need to keep the FUND\$ software up-to-date. HTE releases one major new version of their software each year. Each custom integration would need to be analyzed for changes and retrofitted to work with the new version of the software.
- Continue duplicate data entry. In terms of the Customer Service Initiative, the City's Customer Service Representatives (CSRs) could be trained to use all back end systems and enter information into both the CRM system and the necessary back end system. Not only would the likelihood of errors be high, the interaction with the customer on the phone would be extremely slow.

BACKGROUND

The Department of Information Technology and the Finance Department began planning for the acquisition of middleware (the enterprise service bus software) as part of the Customer Service Improvement (CSI) Initiative. The technical staff in the Department of Information Technology researched solutions, consulted with the Gartner Group regarding top vendors and eventually selected four finalists from RFP responses to conduct a one-day integration workshop with the each vendor. Software AG's proposed solution best answered the City's business needs.

RESOLUTION NO. -N.S.

EXECUTE AN AGREEMENT WITH SOFTWARE AG FOR THE PURCHASE OF ENTERPRISE SERVICE BUS SOFTWARE

WHEREAS, the City uses an assortment of software applications and hardware platforms to support its business operations; and

WHEREAS, integrating said applications will lead to more efficient and effective Customer Service; and

WHEREAS, the City has conducted a thorough evaluation of eligible vendors and products through a formal Request For Proposals (RFP) process.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to enter into an agreement and any amendments with Software AG for the purchase of enterprise service bus software and related services, including two years of annual maintenance, for a total not to exceed \$140,000 for the period December 19, 2007 to December 19, 2009 (budget code 010-3301-410-3038, CMS #IABHS). A record signature copy of said agreement and any amendments to be on file in the office of the City Clerk.

