

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: 04/21/2009

☒ **Consent**

☐ **Regular**

☐ **Ordinance**

☐ **Public Hearing**

Department Submitted By: Palm Beach County ISS

Submitted For: Palm Beach County ISS

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Renewal of Oracle database software maintenance agreement for the period April 24, 2009 to April 23, 2010 in the amount of \$888,350.67.

Summary: This agreement renewal provides software update license and support maintenance for the County's Oracle database management software. Negotiations with Oracle resulted in a waiver of a 3% annual increase that would otherwise be assessed thereby avoiding a cost increase of \$26,650. This renewal also continues the practice of establishing coterminous end dates for all County Oracle software maintenance. Countywide (PK)

Background and Justification: Oracle database software was first purchased in 1995 and is an essential component in many of the County's large software applications. Oracle is the standard for database software in Palm Beach County organizations. This includes both vendor software packages as well as in-house solutions developed by ISS. Examples of key software packages utilizing Oracle databases include the Advantage Financial System, Integral Payroll System, Banner Court System, Water Utilities Customer Information System, Tax System for Tangible and Personal Property, ePZB (Planning, Zoning & Building), and HRIS (internal personnel system).

The annual software maintenance and support payments is based on 22% of the original purchase price of the licenses and provides access to Oracle's priority technical resources for the following types of coverage: 1) bug fixes; 2) compliance with regulatory changes; 3) future software improvements and updates; and 4) subscription to Oracle's on-line technical database.

Due to continuing financial constraints, as well as the recent availability of viable less costly database alternatives, ISS will be investigating all options for database software going forward. Specifically, we are exploring cost-cutting possibilities in the following areas: building/buying selected future applications which utilize a different database (e.g., Microsoft SQL Server, open source software); converting some existing applications from Oracle to different database

Continued on page 3...

Attachments:

- 1) 2 Originals, Purchase Order Exemption Form (POEF)
- 2) Copy of Oracle service contract quotation # 2261550, dated January 12, 2009
- 3) Copy of R95-230D, as amended through R 2008-0913

Recommended by:

Steve Bordelon
Department Director

3/31/09
Date

Approved by:

[Signature]
County Administrator

4-9-09
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|--|------------------|-----------------|------------------|--------------------|-------------|
| Capital Expenditures | _____ | _____ | _____ | _____ | _____ |
| Operating Costs | <u>\$370,145</u> | <u>518,205</u> | _____ | _____ | _____ |
| External Revenues | _____ | _____ | _____ | _____ | _____ |
| Program Income (County) | _____ | _____ | _____ | _____ | _____ |
| In-Kind Match (County) | _____ | _____ | _____ | _____ | _____ |
| NET FISCAL IMPACT | <u>\$370,145</u> | <u>518,205</u> | _____ | _____ | _____ |
| # ADDITIONAL FTE POSITIONS (Cumulative) | <u>0</u> | <u>0</u> | _____ | _____ | _____ |
| + Proposed FY2010 | | | | | |
| Is Item Included in Current Budget? | Yes | <u>X</u> | No | | |
| Budget Account Number: | Fund <u>5020</u> | Dept <u>490</u> | Unit <u>1310</u> | Object <u>3401</u> | |

B. Recommended Sources of Funds / Summary of Fiscal Impact

C. Departmental Fiscal Review:

Robert Basal 4/1/09

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

John D. 4-7-09
4/3/09 OFMB 7/12 4/11/09

John J. Jucal 4/17/09
Contract Administration
E. Jones 4/17/09

B. Legal Sufficiency:

Paul F. 4/19/09
Assistant County Attorney

C. Other Department Review:

Department Director

Continued from page 1...

software; letting support expire on some groups of Oracle licenses and continuing to use these licenses in an unsupported mode; and use of a 3rd party vendor for annual maintenance and support coverage. All of these options will be evaluated before the next annual contract renewal, which is due in April 2010.

Master Purchase Order Exception Form (POEF1)

This POEF1 is to be used when a customer does not issue Purchase Orders for the products and/or services being purchased from Oracle. One POEF1 is required per Bill To/Ship To address. Multiple transactions with the same Bill To and Ship To address may reference a single POEF1.

| | |
|--|--|
| LEGAL CUSTOMER NAME (must match ordering document): | |
| SHIP TO ADDRESS | BILL TO ADDRESS |
| 301 N Olive Avenue | 301 N Olive Avenue |
| West Palm Beach, FL 33401 | West Palm Beach, FL 33401 |
| | Attn: Accounts Payable |
| Shipping Contact: Dale Fargo | Billing Contact: Robert C. Busch |
| Shipping Contact Phone: 561-355-4488 | Billing Contact Phone: 561-355-2918 |
| TAX STATUS (check one) | Billing Contact email: rbusch@pbcgov.org |
| Taxable: _____ | ORACLE UNIVERSITY ORDERS |
| Tax-exempt: <input checked="" type="checkbox"/> (Attach tax certificate) | Order Amount: |
| | Reference Number (optional): |

By signing below, the customer agrees:

- 1) All orders referencing this POEF1 must be invoiced and shipped to the addresses referenced above. A new POEF1 must be submitted if any orders are placed with bill and/or ship to addresses that differ from above.
- 2) Oracle relies on the accuracy of the information provided and is unable to issue a Credit Memo or resubmit an invoice due to incorrect information provided above.
- 3) The individual signing this POEF1 is a senior manager in customer's finance organization who: a) is familiar with customer's purchasing and finance policies/practices; and, b) has authority to make purchases on behalf of the customer under the orders which accompany this POEF1. Examples of senior managers who typically have authority to make corporate purchases of computer software and related services include: V.P. or Director of Purchasing, V.P. or Director of Finance, Controller, CFO, CEO, or President.

The undersigned represents that the information provided in this POEF1 is accurate and that the undersigned has complied with the undersigned's customer's business practices in signing this document and making the accompanying purchase. By signing below, the undersigned represents that the undersigned has the authority to bind the customer to the terms and conditions of this POEF1 and that this POEF1 affirms the undersigned's customer's commitment to pay for the products and/or services ordered.

Jeff Koons

x

Name (printed)

Authorized Signature

Chairman

x

Full Title (printed)

Date

APPROVED AS TO TERMS AND CONDITIONS

BY

Steve Bordelon

ISS DIRECTOR

POEF1 rev 2008-11