

ACTION FORM BRYAN CITY COUNCIL

DATE OF COUNCIL MEETING: 9/23/14		DATE SUBMITTED: 9/5/2014	
DEPARTMENT OF ORIGIN: Information Technology		SUBMITTED BY: Bernie Acre	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input checked="" type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input checked="" type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input checked="" type="checkbox"/> SERVICE
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> STATUTORY		<input checked="" type="checkbox"/> ECONOMIC DEVELOP.
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input checked="" type="checkbox"/> INFRASTRUCTURE
			<input type="checkbox"/> QUALITY OF LIFE
AGENDA ITEM DESCRIPTION: Consider City Council authorization to approve the budgeted payment of \$60,688.36 to Key Government Finance for the fourth annual payment of a five year term for Cisco maintenance for support of all Cisco hardware and software utilized by the City.			
SUMMARY STATEMENT: This maintenance agreement provides the City with technical support needed for the network and phone system infrastructure. This approval is year 4 of a 5-year contract approved by the City Council in October 2010, which afforded the City the ability to average out hardware maintenance costs over a 5-year term. By continuing this 5-year agreement the City will avoid an expected 8% annual maintenance increase and continue to receive a 22% guaranteed discount per year. This Smartnet maintenance agreement covers the City's Cisco network hardware, software and the Voice Over IP (VoIP) telephone system.			
<p>Past Cisco Smartnet Maintenance:</p> <p>2014: \$60,688.36 (Year 3 payment of 5 year agreement)</p> <p>2013: \$60,688.36 (Year 2 payment of 5 year agreement)</p> <p>2012: \$60,688.36 (Year 1 payment of 5 year agreement)</p> <p>2011: \$82,163.32</p>			
<p>This Agreement provides the City with 24x7 phone support, patches, and upgrades, as well as hardware replacement if necessary. If the voice and data systems are not covered, the City runs the risk of having critical systems failure with no technical support or hardware replacement, which can be extremely costly. This risk could potentially jeopardize public safety as these systems require the network to be functioning 24x7. The agreement is through the State of Texas Department of Information Resources (DIR) agreement number DIR-SDD-1386.</p>			
<p>The DIR was created by the State of Texas to ensure the effective and efficient use of public funds for information technology services and equipment through the application of statewide services and technologies with emphasis on cooperative purchasing projects. The Inter-local Cooperation Act, Texas Government Code, Chapter 791, authorizes local governments to directly contract with DIR enabling participating entities to take advantage of the purchasing power of the State of Texas. Procuring information technology products and services through DIR contracts saves the City time and money as all products offered have been subjected to a competitive bid process with vendors offering substantial discounts to all participating entities based on the State's anticipated volume of purchases.</p>			
STAFF ANALYSIS AND RECOMMENDATION:			
By maintaining the 5-year agreement, the City is fiscally responsible as money is saved by locking in maintenance costs for 1 additional year at the negotiated contract rates.			

The Information Technology Department respectfully requests City Council approval of the fourth year payment to ensure continued 24x7 support for the City's networking equipment (routers, switches, etc.) and VOIP (voice over internet protocol) phone system with Cisco the next year.

OPTIONS (In Suggested Order of Staff Preference):

1. Approve the fourth annual payment of \$60,688.36 to Key Government Finance for Cisco support.
2. Not approve the payment, and direct Staff to bring forth a standard 1 year agreement at approximately \$133,500 for this year, plus an estimated 8% increase each year thereafter, with no guarantee of a 20% discount for the next fiscal year.
3. Not approve and provide staff direction.

ATTACHMENTS: (attached as a single pdf)

1. Executed Key Government Finance, Inc. Payment Plan
2. Cisco Quote for Smartnet
3. INX DIR Contract DIR-SDD-1386

FUNDING SOURCE: General Fund, IT Budgeted Line Item, Computer Administration, Equipment Maintenance/Software Lic. Agreements

APPROVALS: Hugh R. Walker, 09/04/2014

APPROVED FOR SUBMITTAL:

APPROVED FOR SUBMITTAL: Janis K. Hampton, 09-15-2014