



## Request for City Council Committee Action from the Department of BIS

Date March 2, 2009

To: **The Honorable Paul Ostrow, Chair, Ways and Means Committee**

Subject: **Oracle contract extension**

**Recommendation** Authorize proper city officials to extend the Oracle USA, Inc. contract C-24470 for an additional two years and negotiate new pricing.

Prepared by Robert Arko, Contract Administrator, 673-3984

Submitted by Lynn Willenbring \_\_\_\_\_, 673-2289  
Chief Information Officer

Approved by Steven Bosacker \_\_\_\_\_  
City Coordinator

Presenter in Committee Lynn Willenbring

Policy Review Group  Not Applicable

Permanent Review Committee (PRC) Approval – Not Applicable

Prior Related Directives:

3/30/07: Your Committee recommends that the proper City officers be authorized to execute a contract with Oracle to furnish related implementation services for financial applications.

**Financial Impact:** No financial impact.

<p><b>Financial Impact</b> (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain):</p> <p><input checked="" type="checkbox"/> Request provided to the Budget Office when provided to the Committee Coordinator</p>
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## **Background/Supporting Information**

On March 30, 2007, City Council authorized BIS to execute a contract with Oracle USA, Inc. to provide consulting services for the City's COMPASS Financials implementation for a not-to-exceed contract value of \$10,750,000. Phase I of the implementation is complete. The current COMPASS Financials Phase II initiative is scheduled with a "go live" timeframe of April 2009. To meet this timeframe, the contract needs an extension. The two-year extension will keep the existing contractual language in place but the negotiated rates will change. This extension will provide the ability to lock into new rates and take advantage of a good discount from Oracle while ensuring that the existing staff working on the initiative will continue in their current role, thereby avoiding delays that would negatively impact the initiative schedule.

The extension will also allow the City to utilize Oracle USA for other project initiatives should funding become available.