



Request for City Council Committee Action

Date May 15, 2007

To Honorable Paul Ostrow, Chair, Ways and Means Committee

Recommendation Increase Unisys contract #C-1888101 by \$2,500,000, the estimated amount needed for change orders over the remaining 2-1/2 years of the contract.

Prepared by Nancy Larkey, Contract Administrator, 673-5494

Submitted by Karl Kaiser _____, 673-3190
Chief Information Officer

Approved by Steven Bosacker _____

Subject Increase the Unisys contract for Change Order transactions of \$50,000 or less.

Presenter in Committee Karl Kaiser

Permanent Review Committee – Not Applicable

Policy Review Group (PRG) – Not Applicable

Financial Impact: Funded by City departmental customers or by existing BIS operating funds.

Financial Impact (Check those that apply)

- No financial impact** (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: Action is within plan.
- Other financial impact (Explain): Customer department will fund the change order or BIS will fund the change order out of its approved operating budget.
- Request provided to the department's finance contact prior to the Committee Coordinator

Prior Directives:

City Council approved change order increase of \$4,000,000 to the Unisys contract #C-1888101 on August 5, 2005

Background/Supporting Information

The contract between the City and Unisys is for managed services of computer technology. To buy services not stipulated in the original agreement, either an amendment of more than \$50,000 or change order of \$50,000 or less is executed to increase the contract. All amendments have been brought to and approved by the City Council.

A list of change orders totaling \$1,400,943 were provided to the City Council in mid-2005 and approved. Additional change orders as of May 15, 2007 total \$2,444,405. This brings the total to \$3,845,348 nearing the limit of \$4,000,000. All change orders completed are itemized and attached.

The change order process continues to be used. At this time BIS is seeking to increase the contract by \$2,500,000 for Unisys change orders expected from now to the end of the contract on December 30, 2009. Having the change order process allows customers of BIS to receive the many managed services in an expeditious manner and provides the City Council report on contract increases on a consistent basis.