

City Council – Action Request Form

Date: June 14, 2021

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Ben Rowe, Assistant City Manager;
Thomas Kureczka, Chief Information Officer

Council Action Requested:

Resolution Approving the Renewal of a Contract with Environmental Systems Research Institute, Inc. (ESRI) for Geographic Information Systems (GIS) Software Licenses, Maintenance, and Support

Strategic Focus Area: Service Excellence

Strategic Objective: Ensure Service Delivery Efficiency and Effectiveness

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

The City of Winston-Salem has been using software for servers, desktop computers, and remote devices from ESRI to create and manage spatial data since 1996, and the City's Geographic Information Systems (GIS) run on this platform. ESRI is one of the leading GIS vendors in the market, and the City has made substantial investments in solutions using this platform. ESRI only sells their software licenses and maintenance services directly, with no third parties.

With the need and value of associating assets and operations to geographic locations, many City departments depend upon GIS data to perform their day-to-day operations. Police, Fire, Planning and Development Services, Emergency Management, City Link, Real Estate, Engineering, and all of Public Works are just some of the departments that rely on GIS data.

In June 2018, the Mayor and City Council gave approval for the City to enter into an Enterprise Agreement (EA) with ESRI for software licenses, maintenance, and support. The EA provides a lower cost per unit for licensed software, flexibility to deploy software products when and where needed, reduces administrative and procurement expenses, and provides access to enhanced technical support and free online training for employees.

Committee Action:

Committee	<u>Finance 6/14/21</u>	Action	<u>Approval</u>
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For	<u>Unanimous</u>	Against	<u></u>
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Remarks:

ESRI uses a tiered government-pricing model for Enterprise Agreements. Based upon the population count in 2018, the City of Winston-Salem qualified for pricing for a population of up to 250,000. The City is now locked into this pricing level, even as the City's population increases in the future.

The existing contract for the EA that was executed in 2018 was for a three-year term, and expires on August 9, 2021. ESRI has provided a proposal to extend the EA for another three years, starting August 10, 2021. The contract executed in 2018 had a total three-year cost of \$468,000, with an annual amount of \$156,000. The proposed three-year contract amount will be \$495,000, with a first-year payment of \$165,000. Second and third-year payments will remain the same. The annual increase of \$9,000 is due to additional products that the City added to the EA over the past three years. Funding for the Enterprise Agreement will come from the I.S. and Utilities budgets. There is sufficient funding in the proposed I.S. budget for FY 2021-2022 to cover half of the annual cost for the first year, and Utilities will be using approved project funds to cover the other half. The two departments will continue to split the cost equally for the duration of the three-year contract.

It is the staff's recommendation that the City enter into a contract to extend the Enterprise Agreement with ESRI for three additional years, providing continued software licenses, maintenance, and support for City employees, databases, and servers.

Approval is requested to extend the Enterprise Agreement with ESRI for three additional years. Funding for the first year's cost of \$165,000 is included in the proposed FY 21-22 Information Systems and Utilities budgets. It is further requested that authorization be provided to renew for the second and third years of the Agreement at the same annual price of \$165,000.

Exhibit A includes workforce demographics for Environmental Systems Research Institute, Inc.