

Resolution #22-0624
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RESOLUTION APPROVING THE PURCHASE OF ORACLE CORE LICENSES AND SOFTWARE SUPPORT

WHEREAS, the City of Winston-Salem uses Oracle database services as the primary data storage platform for multiple enterprise and departmental business systems; and

WHEREAS, the Oracle platform is a critical underlying cornerstone of many of the daily operations performed by City staff; and

WHEREAS, for many years the City has run Oracle databases in a virtualized environment to maximize performance and availability, and to minimize the quantity and cost of licenses; and

WHEREAS, in March of 2022, staff was informed by Oracle of a change to their licensing requirements, which now require an isolated Oracle environment; and

WHEREAS, an isolated environment conflicts with the virtualized approach that staff is using, and to abide with Oracle's new requirements of an isolated environment would require the purchase of additional licenses with a one-time cost in the range of \$600,000 and \$1,000,000; and

WHEREAS, these additional licenses would also have an annual recurring cost for software updates and security patches of approximately 20% of the one-time cost; and

WHEREAS, staff worked with Oracle and Mythics, the City's assigned Oracle authorized reseller, to find a more cost-effective solution; and

WHEREAS, an architecture has been approved by Oracle that allows the City to continue to use a virtualized environment that will be physically isolated from the rest of the City's computing environment; and

WHEREAS, this change still requires the City to purchase eight (8) additional Oracle core licenses to maintain proper levels of performance and availability; and

WHEREAS, there are no local or M/WBE vendors who are authorized as an Oracle reseller, and Oracle uses a channel partner model for the sale and support of their licensed products and has assigned Mythics to service our account; and

WHEREAS, Mythics is also the holder of the State contract for Oracle core licenses, and staff has received approval from the State to use this contract for the purchase of additional licenses; and

WHEREAS, the one-time cost of the additional eight licenses is \$232,066, and the recurring annual software support cost is \$51,054.52; and

WHEREAS, approval is requested to purchase eight Oracle core licenses for \$232,066 and the first year of software support for \$51,054.52, for a total purchase price of \$283,120.52; and

WHEREAS, funding for this purchase is available in the FY22-23 Information Systems operating budget.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem authorizes the City Manager to enter into a contract with Oracle for the purchase of eight Oracle core licenses for \$232,066 and the first year of software support for \$51,054.52, for a total purchase price of \$283,120.52.

Winston-Salem City Council
APPROVED
November 14, 2022

BE IT FUTHER RESOLVED that the City Manager is hereby authorized to execute a contract on behalf of the City.