

City Council – Action Request Form

Date: May 14, 2024

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

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

Council Action Requested:

Resolution Approving a Contract with Environmental Systems Research Institute, Inc. (ESRI) for Geographical 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 ESRI software for servers, desktop computers, and remote devices 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; they do not use third-party vendors.

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, Recreation and Parks, Real Estate, Utilities, DOT, Engineering, and Sanitation are among the departments that rely on GIS data and services.

Committee Action:

Committee FC 5-14-2024 **Action** _____

For Unanimous Approval **Against** _____

Remarks:

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, allows the 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.

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 approved by Council and executed in 2021 is for a three-year term and expires on August 9, 2024. The existing contract has a total three-year cost of \$495,000, with an annual cost of \$165,000. ESRI has provided a proposal to extend the EA for another three years, starting August 10, 2024. The proposed three-year contract amount will be \$525,300, with a first-year payment of \$175,100. Second and third-year payments will be the same. 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 2024-2025 to cover half of the annual cost for the first year, and Utilities will be using approved budget 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 \$175,100 is included in the proposed FY 24-25 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 \$175,100, for a total three-year cost of \$525,300.

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

Exhibit A

Project/Bid/ Description: Esri Small Enterprise Agreement 2024
Bidder's Company Name: Environmental Systems Research Institute, inc. (Esri)
City/State: Redlands, CA

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification							Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	Two or More Races	Pacific Islander	
Total	3174	1876	3194	184	561	949	18	134	10	5050
%of Total	63%	37%	63%	3.7%	11%	19%	0.4%	2.7%	0.2%	100%

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.