



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 15-0953, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 3, 2015

COMMITTEE ON Procurement

Mr. David St. Pierre, Executive Director

Issue purchase order and enter into an agreement with Oracle America, Inc. for the maintenance, support and acquisition of miscellaneous parts for the District's SAP Enterprise Servers, the Laboratory Information Management System (LIMS), and the disaster recovery servers for a period of twelve months, in an amount not to exceed \$182,998.05, Accounts 101-27000-601170, 612810, 612820, Requisition 1401839

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with Oracle America, Inc. for the maintenance, support and acquisition of miscellaneous parts for the District's SAP Enterprise Servers, the Laboratory Information Management System (LIMS), and the disaster recovery servers for a period of twelve months at the Main Office Building and the Stickney Water Reclamation Plant. This purchase order will expire on September 30, 2016.

The National Association of State Procurement Officials (NASPO) is an organization through which the member purchasing officials provide leadership in professional public purchasing, improve the quality of purchasing and procurement, exchange information, and cooperate to attain greater efficiency and economy. In 1993, 15 states from NASPO allowed authorized governmental organizations to participate in cooperative multi-state contracts providing significant volume discounts benefiting states, cities, counties, public schools and institutions of higher education. The current agreement between NASPO ValuePoint Cooperative Purchasing Program and Oracle America, Inc. is effective from April 1, 2015 through March 31, 2017, with the option to mutually renew the agreement for two additional one-year terms.

Recently, Oracle America, Inc. joined in the NASPO/WSCA agreement, which offers the lowest possible price for their equipment and associated services and software. In 2010, Oracle America, Inc. acquired Sun Microsystems Inc. which is responsible for all Storage Area Networks, Servers, and Software support/maintenance. The Information Technology Department is seeking to establish their participation in the WSCA program. Under this agreement, the District will be able to purchase equipment, support, and maintenance cost as part of a "group" with other government agencies so that all parties may gain the advantage of volume discounts.

Maintenance, support and acquisition of miscellaneous parts provided under this request are needed to insure the reliability and integrity of the data used for operational and administrative purposes. The systems involved are the District's Enterprise Servers, Storage Area Networks, fiber switches and application firewalls which are used for SAP Enterprise Systems, the Portal, the Business Intelligence/Business Warehouse (BI/BW) System, the Public Sector Budget Formulation (PBF) System, the disaster recovery systems, and LIMS Systems. There has been a substantial investment made in computer hardware and software used to support the applications associated with these systems and ongoing support and maintenance is required to protect this investment.

As an instrument of state government, WSCA is required to follow extensive competitive procurement processes similar to its member states. Through its committees, WSCA undertakes the time and expense of the RFP process, thereby freeing governmental entities of this burden. Entities purchasing goods or services through the WSCA program can be assured that due diligence in selecting vendors has already been done. Inasmuch as Oracle America, Inc.'s partnership through WSCA for computer hardware, software, and maintenance provides the lowest possible price for equipment and software, nothing would be gained by advertising for bids (Section 11.4 of the Purchasing Act).

Oracle America, Inc. is registered and in good standing with the State of Illinois.

The Multi-Project Labor Agreement is not applicable due to the specialized nature of the services required.

In view of the foregoing it is recommended that the Director of Procurement and Materials Management be authorized to issue a purchase order and enter into an agreement with Oracle America, Inc. in an amount not to exceed \$182,998.05.

Funds for the 2015 expenditure in the amount of \$72,608.68 are available in Accounts 101-27000-601170, 612810, 612820. The estimated expenditure for 2016 is \$110,389.37. Funds for the 2016 expenditures are contingent on the Board of Commissioners' approval of the District's budget for that year.

Requested, John Sudduth, Acting Director of Information Technology, SJ:RP:RV

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for September 3, 2015