

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
ERM PROJECT**

AGENDA ITEM NO. 19

TO: Mayor and City Council

FROM: Troy Elliott, ERM Project Director

THROUGH: Terry M. Brechtel, City Manager

COPIES: J. Rolando Bono, Deputy City Manager; Travis M. Bishop, Assistant City Manager; Andrew Martin, City Attorney; Bill Wood, Assistant City Attorney; Milo Nitschke, Director, Finance Department; Gary Moeller, Director, Information Technology Services Department; File

SUBJECT: Appropriation of funds for the purchase of computer equipment through annual contracts for ERM Project Implementation

DATE: March 6, 2003

SUMMARY AND RECOMMENDATIONS

The following Ordinance appropriates funds in the amount of \$500,000 for the purchase of computer hardware through annual contracts.

An Ordinance authorizing the appropriation of funds in the amount of \$500,000 for equipment to be purchased through annual city contracts and required for the ERM Project implementation.

Staff recommends approval of this Ordinance.

BACKGROUND INFORMATION

Throughout the course of the ERM Project various computer equipment items will be required on a case-by-case basis. As each Wave of the project progresses business processes are being redesigned which will necessitate the purchase of additional computer hardware items. For example, the hardware configuration for Hansen's DynamicPORTAL requires a production system and test System. In order for the City to Host the Portal, additional servers, power distribution units and rack system are required and would be purchased under annual contracts once the appropriation has been authorized. New hardware may also be required to support the future purchase of system testing tools, computer based training software or for increased network connectivity/communications. Additionally, as the new processes are designed during each Wave of the Project, Departmental items such as printers, laptops or handheld computers may need to be purchased or replaced in order for the newly designed processes to function efficiently or correctly. This appropriation will allow the team to quickly address computer hardware needs promptly without endangering the project timeline and go-live dates. Council approval would be required for any additional purchases once the \$500,000 appropriation is exhausted.

POLICY ANALYSIS

Authorization of the \$500,000 appropriation to purchase computer equipment through annual city contracts is consistent with previous City Council actions to facilitate the implementation of an Enterprise Resource Management System.

FISCAL IMPACT

This ordinance appropriates \$500,000 for computer equipment to be purchased through previously authorized annual city contracts. Payment would be issued to an approved vendor upon successful issuance of a purchase order and receipt of items.

The \$500,000 amount is programmed within the ERM Project Budget. The hardware and software budget estimated at the beginning of the project considered future unidentified hardware and software needs that would be determined as the project progressed. The combined hardware and software budget for the ERM Project is \$15,635,500 of which \$12,589,097 has been obligated through previous Council actions for items such as SAP Software, Hansen Software, Software Maintenance, initial computer Hardware purchase, Oracle Database and Crystal report writer. As a result, a sufficient balance of \$3,046,403 is available.

COORDINATION

This appropriation of funds was coordinated with City Attorney's Office, Information Technology Services Department, Purchasing Department and Finance Department.

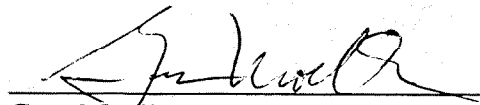
SIGNATURES



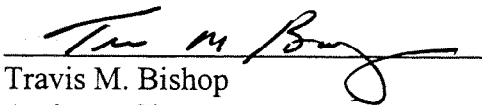
Troy Elliott
ERM Project Director



Milo Nitschke
Director
Finance Department



Gary Moeller
Director
Information Technology Services Department



Travis M. Bishop
Assistant City Manager

Approved:



Terry M. Brechtel
City Manager