

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

TO: Mayor and City Council

FROM: Troy Elliott, Director, Enterprise Resource Management Project

THROUGH: Terry M. Brechtel, City Manager

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

SUBJECT: Appropriating Funds and authorizing annual contracts for the Procurement of ERM Hardware and Technology Infrastructure Improvements

DATE: September 25, 2003

SUMMARY AND RECOMMENDATIONS

This Ordinance authorizes the appropriation of funds, amendment of the Information Technology Services budget and authorizes various annual contracts for the purchase of additional hardware, software, and networking components in support of the Enterprise Resource Management (ERM) Project.

This Ordinance is in accordance with the plan proposed to the Council Governance Committee on September 4, 2003. The proposed plan is in response to the recommendations as suggested in the KPMG draft performance review and as further directed by the Council Governance Committee for an independent review and validation of hardware purchases associated with the ERM Project. In summary, the plan requires an independent review be performed to validate the performance and capacity of the equipment. The Mercury Interactive Corporation is being engaged by Deloitte Consulting to perform the independent validation through the City Auditors Office.

Staff recommends approval of the following Ordinance:

An Ordinance authorizing the appropriation of funds in the amounts of \$713,000 for NT Servers; \$604,000 for Citrix (Terminal Emulation) and backup software; \$166,000 for network improvements; \$153,000 for associated items; amending the fiscal year 2003 Information Technology Services Fund Budget in the amount of \$451,000 for additional network improvements; for a total amount of \$2,087,000 and accepting the bids of various companies to provide the City of San Antonio with hardware and software on an annual contract basis for Fiscal Year 2003-2004 required for the ERM Project implementation.

BACKGROUND INFORMATION

The initial procurement of Hardware for the ERM Project was authorized via Ordinance number 96054 on June 27, 2002 in the amount of \$5,061,836, creating the foundation for the ERM Project to build upon as the design for each Wave of the Project is completed. This hardware purchase only included the minimum configuration in order to minimize project costs until a more detailed sizing could be performed. This minimum configuration included the development, testing/training (sandbox) and initial go-live hardware. The hardware purchase included items such as Unix servers, NT servers and disaster recovery software moving the City in the direction of a Client Server environment and away from a mainframe based system.

The combination of the evolving design requirements and additional testing have revealed the need for additional infrastructure requirements in the area of servers, network improvements, Citrix (Terminal Emulation software), additional disaster recovery software licenses and miscellaneous items such as backup tapes, power distribution units and cabling services. The need for the additional equipment is a contributing factor to the need to revise the timelines for the ERM Project Go-live dates.

As the designs for the City's configuration of the initial SAP Waves were finalized, the need for additional hardware to support those designs was identified. This is determined utilizing the ASAP Methodology (Accelerated SAP), which is designed and required specifically for SAP implementation projects

This hardware purchase falls into three separate categories as follows: 1) ERM Project NT Servers 2) Networking Enhancements and 3) Desktop Deployment (Citrix).

ERM Project NT Servers

This Ordinance requests the purchase of Dell servers to provide functionality that could not have been anticipated until project designs were finalized. These servers will support Web functionality, Collaboration folders for Capital Project, Fax Servers, Workflow for Customer Relationship Management and for hosting Citrix Software and users.

Networking Enhancements

Networking enhancements that are being proposed for purchase include brocade switches, additional networking bandwidth and a demilitarized zone (DMZ). The first of the networking enhancements include the brocade switches, which are being purchased as a direct result of purchasing additional servers. These brocade switches connect the services, forming a "fabric network" which not only connects the new servers to each other, but also integrates the new servers with those already in place.

The second area of improvements will focus on bandwidth capacity. This is the amount of data that will be transmitted over the City's network due to the implementation of SAP and Hansen created a need for additional network bandwidth. Network bandwidth is essentially the pipe

through which the data flows. The new ERM software, in effect would have been trying to send more information through the pipe than the pipe was capable of handling.

Third is the purchase of a DMZ. The DMZ is a technical term derived from the "demilitarized zone" between two combative forces to describe a method of protecting vital computer hardware from intrusion and attacks. Essentially, the DMZ places a firewall of protection between the external users and the City's computer equipment and then also places another firewall between the City's internal users and the computers. This protects the City's computer hardware from attacks from both directions while allowing legitimate transactions to occur.

Desktop Deployment (Citrix)

Additionally, the requirements of the project accelerated the need for upgrades to the City's technical infrastructure that was already planned for future purchases out of the Information Technology Services Fund. The purchase of additional network equipment and Citrix Server technology addresses those needs. The Citrix Server technology will allow the City to use less powerful PCs and reduced network bandwidth, resulting in an estimated net savings to the City in excess of ten million dollars over the course of the next three years.

Council action is also required for the approval and acceptance of bids from Vector ESP Inc., Commercial Data Systems and SBC Data Communications (local), to provide the City of San Antonio with the Citrix solution, backup solutions and network improvements on an annual basis for the ERM Project in support of the areas defined above. Bids are attached for review.

POLICY ANALYSIS

Purchase of this equipment is consistent with previous City Council actions and the implementation of an Enterprise Resource Management System. This equipment will be purchased utilizing TXMAS Contracts and the State of Texas Department of Information Resources (DIR) "GoDirect" Program and is being made in accordance with the State of Texas Cooperative purchasing Agreement adopted by the City of San Antonio resolution No. 91-39-53.

FISCAL IMPACT

This ordinance authorizes the appropriation of funds from the ERM Project in the amount of \$1,636,000 and amends the Information Technology Services budget in the amount of \$451,000 for the purchase of additional hardware, software, and networking components in support of the Enterprise Resource Management (ERM) Project. Procurement of these items will be executed through the proposed annual contracts and state procurement mechanisms. Payment will be issued to an approved vendor upon successful issuance of a purchase order and receipt of items.

A summary of the ERM Project appropriation and ITSD budget amendment by category is presented below:

Item	ERM Project Appropriation	ITSD Fund Budget Amendment	Total
NT Servers	713,000		713,000
Citrix & Backup Software	604,000		604,000
Network Improvements	166,000	451,000	617,000
Associated/Misc. Items	153,000		153,000
Total	\$1,636,000	\$451,000	\$2,087,000

Annual maintenance and support will be funded from the fiscal year 2004 Information Technology Services Department operating budget.

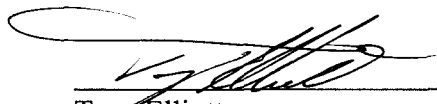
COORDINATION

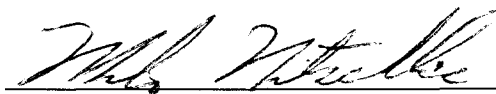
This item has been coordinated with the City Council Governance Committee, City Auditors' Office, City Attorneys Office, Information Technology Services Department, Finance Department, Purchasing and General Services Department, and the Office of Management and Budget.


SUPPLEMENTARY INFORMATION

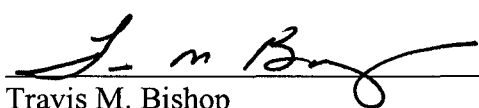
Discretionary contract disclosures are not applicable to DIR and TXMAS Procurements.

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

CITY OF SAN ANTONIO
 BID TABULATION

ANNUAL CONTRACT FOR: SBC NORTEL NETWORK EQUIPMENT & SERVICE (A952-04)

SBC Data Comm.
 4119 Broadway, Room 460
 San Antonio, Texas 78209

ITEM	PRODUCT NUMBER	DESCRIPTION	UNIT COST	ESTIMATED QUANTITY	EXTENDED COST
1	DS1412E10	Passport 8610 10 Slot Chassis Bundle.	\$18,113.40	5	\$90,567.00
2	DS1404048	Passport 8600 Edge Switch Bundle 64 ports.	\$23,338.23	5	\$116,691.15
3	DS1405E08	8004AC 100-240 VAC Power Supply.	\$1,080.73	10	\$10,807.30
4	DS1404011	Passport 8616SXE Routing Switch Module. 16-port 1000BASE-SX Gigabit Ethernet interface module	\$13,539.07	5	\$67,695.35
5	EB1639036	Alteon Switched Firewall 5710.	\$34,661.47	2	\$69,322.94
6	GH5300000459	7x24, 4-Hour Response Managed Spare Service for Alteon Switched Firewall	\$1,732.47	2	\$3,464.94
7	GH5300000478	7x24, 4-Hour Response Managed Spare Service for Passport 8600	\$6,179.55	2	\$12,359.10
8	GH5300000187	Passport 8600 10 Slot	\$9,444.89	5	\$47,224.45
9	A0994239	Advanced Installation and implementation for Passport 8600	\$5,200.00	5	\$26,000.00
10	BR 2941000	Implementation Service Package \$10,000.00	1	\$10,000.00	
11	BR1682500	Alteon Switch Firewall 5710			
		Alteon Design/Implementation /Configuration with Microsoft ISA	\$200.00	80	\$16,000.00
		Sub Total			\$470,132.23
		Promotional Discount			-\$3,550.84
		ESTIMATED TOTAL COST			\$466,581.39

TX DIR Contract Number (DIR-VPC-03-029)

A939-04
 LB/clb

CITY OF SAN ANTONIO
BID TABULATION

ANNUAL CONTRACT FOR: CITRIX SOFTWARE AND SUPPORT

Vector ESP, Inc.
13610 Barrett Office Drive, Ste. 109G
Ballwin, MO 63021

ITEM	DESCRIPTION	UNIT QUANTITY	ESTIMATED COST	EXTENDED COST
1	Citrix MetaFrame XPE 1.0-100U Conn Pack (Total of 2000 users)	\$21,225.00	20 Packs	\$424,500.00
2	Citrix Network Engineer Hourly Rate	\$185.00	280 Hours	\$51,800.00
3	Vector ESP Citrix Enterprise Site Support Agreement - Annual Fixed Fee	\$ 22,495.00	1 Year	\$22,495.00
4	Metaframe XP 1.0 For Windows Administration	\$1,531.00	6 Each	\$9,186.00
ESTIMATED TOTAL PRICE				\$507,981.00

TXMAS Contract number (TXMAS-3-70060)

A951-04
LB/clb

CITY OF SAN ANTONIO
BID TABULATION

ANNUAL CONTRACT FOR: TRUECOPY SOFTWARE

Commercial Data Systems
4263 Hilton Head St.
San Antonio, Texas 78217

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>EST QTY</u>	<u>UNIT PRICE</u>	<u>TOTAL PRICE</u>
1	SE9900 ShadowImage 2-3TB Lic. Key and software certificate for ShadowImage, 2 to 3 TB Configurations	2	\$15,354.00	\$30,708.00
2	SE9900 True Copy 2-3TB Lic. Key and software certificate for TrueCopy, 2 to 3 TB configurations 688 hours	2	\$19,026.00	\$38,052.00
Contract TXMAS-3-70050				
ESTIMATED TOTAL				\$68,760.00

A953-04
LB/dc