



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 12-1050, **Version:** 1

- a. Approve and authorize the Director of Information Technology to execute on behalf of the County of Monterey an Oracle Public Sector Technical Support Services Agreement between the County of Monterey and Oracle for the period of October 26, 2012 through October 25, 2015 for the yearly provision of technical support/maintenance of Oracle database server software used by the Monterey County Water Resources Agency in a total aggregate amount within this period not to exceed \$17,497;
- b. Accept non-standard language in the Agreement provided by the vendor as recommended by the Director of Information Technology; and
- c. Authorize the Auditor/Controller's Office to issue payments on a yearly basis not to exceed the total aggregate amount as requested by the Director of Information Technology. (ADDED VIA ADDENDUM)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Director of Information Technology to execute on behalf of the County of Monterey an Oracle Public Sector Technical Support Services Agreement between the County of Monterey and Oracle for the period of October 26, 2012 through October 25, 2015 for the yearly provision of technical support/maintenance of Oracle database server software used by the Monterey County Water Resources Agency in a total aggregate amount within this period not to exceed \$17,497;
- b. Accept non-standard language in the Agreement provided by the vendor as recommended by the Director of Information Technology; and
- c. Authorize the Auditor/Controller's Office to issue payments on a yearly basis not to exceed the total aggregate amount as requested by the Director of Information Technology.

SUMMARY/DISCUSSION:

The Monterey County Information Technology Department (ITD) manages the software licensing for the Oracle database server for the Monterey County Water Resources Agency (MCWRA) since 1991. After the initial purchase of the software by the MCWRA, there have been yearly recurring maintenance/support fees for the licenses. The yearly fee provides software updates, fixes, and technical support/maintenance which is industry standard for software licenses and allows for ITD to properly support the Water Resources Agency which is a customer of ITD.

The proposed Oracle Public Sector Technical Support Services Agreement (TSA) references the software licensing terms of the onetime purchase of the licenses. Due to the fact that the original licensing documents Oracle provided dating back to 1991 signed by a representative of MCWRA were not complete and considered untraceable, coupled with the non-county standard contractual terms of this Agreement, County Counsel does not approve this TSA. Oracle has acknowledged in writing that they recognize the original purchase made by the MCWRA and have confirmed the specific license products, counts, and license levels listed as an Attachment to this Board report. Since there is no objection from Oracle on the original purchase of the licenses by MCWRA, there will be no additional license purchase cost as a result of the lack of thorough purchase documentation. The terms stated in the TSA are standard in the software industry and poses minimal liability due to the fact that hardware which runs the Oracle database along with the data is managed by the

County. Based upon the County's past experience with this well-established software company, we are seeking the approval of the Board to proceed with this TSA to ensure the MCWRA has continued updated use of this software.

This TSA covers all Oracle licenses purchased and confirms the level of technical support/maintenance that will be provided for those licenses for a thirty six (36) month period. Should the County purchase additional licenses through Oracle, the subsequent technical support of the additional licenses would be covered under this Agreement and is quoted and invoiced on a yearly basis. The only requirement would be for the County to pay the additional technical support/maintenance fee as this TSA applies to all licenses purchased within this period. This is not an automatic renewal Agreement and should the department determine that the licenses are no longer needed or should funding be terminated, ITD would simply not make the yearly payment for the technical support. There is no minimum payment requirement as a result of this TSA, as it covers all licenses that need support should we choose to pay.

OTHER AGENCY INVOLVEMENT:

This Agreement is not approved by County Counsel and Risk Management due to the non-county standard language and the lack of complete purchase documents from 1991. The Agreement and Exhibit is on file with the Clerk of the Board.

FINANCING:

The funds for the technical support/maintenance period of October 26, 2012 through October 25, 2013 have been included in the FY 2012-13 Adopted Budget for the Information Technology Department, ITD 1930, Unit 8137, Appropriations Unit INF002. The initial expense is borne by Information Technology, but is charged back to MCWRA via our normal ITD Billing process. ITD budgets for both the expense and the income, while MCWRA has budgeted for the expense.

As with all technical support/maintenance charges for software licenses, the fee is paid once a year although the single year coverage spans over two separate fiscal years. Transactions relating to future fiscal years will be included in each respective Recommended Budgets.

Prepared by: Sarah House, Management Analyst III, 755-5108

Approved by: Dianah Neff, Director of Information Technology, 759-6923

Attachments:

Agreement

Oracle License Purchase Documents & Updated Quote

Oracle Confirmation of Original Purchase