



CITY COUNCIL AGENDA REPORT

MEETING DATE: March 1, 2016

ITEM NUMBER: CC-4

SUBJECT: YEAR THREE OF THE SUPPORT PERIOD OF RIMINI STREET FOR ORACLE/PEOPLESOFT SUPPORT SERVICES

DATE: February 18, 2016

FROM: INFORMATION TECHNOLOGY DEPARTMENT

PRESENTATION BY: STEVE ELY, I.T. DIRECTOR

FOR FURTHER INFORMATION CONTACT: STEVE ELY, 714-754-4891

RECOMMENDATION:

Staff recommends that the City Council authorize the City CEO to sign the Purchase Requisition for \$121,648 with Rimini Street, Inc. (Rimini), to continue providing support for the City's Oracle/PeopleSoft products on Year Three of the Support Period commencing on March 18, 2016.

BACKGROUND:

The City entered into a Master Services Agreement (MSA) with Rimini on February 24, 2014 for Rimini to provide Oracle/PeopleSoft technology support services to the City's Financial, Human Resources, database, and eApplications software systems, replacing Oracle Corporation that had been the one source of support for the City's PeopleSoft products for many years. The support period covered by the MSA with Rimini ends on March 18, 2029.

ANALYSIS:

The Oracle/PeopleSoft software support is a significant portion of the City's daily business processes - from processing cash receipts to paying vendors. The City cannot afford to be without access to these applications for any extended period of time.

Due to the enormous cost of maintaining annual support for these products, staff continues to look into other potential software solutions that may make better financial sense for the City. In the meantime, Rimini satisfies the City's need for uninterrupted continuous support of the PeopleSoft systems.

ALTERNATIVES CONSIDERED:

Proceeding on a Time-and-Materials support basis is not available through Rimini Street or Oracle.

Under the terms of the MSA with Rimini, for "the period March 19, 2016 through March 18, 2017 (optional Year 3 of the Support Period), the Annual Support Fee shall be \$121,648.00 USD." The rate of increase for the second support year and the succeeding support years until Year 15 of the support period is 5%.

Staff is still looking into other potential software solutions that may make better financial sense for the City. Once staff has researched all other possibilities, it will present those findings to the City Council.

FISCAL REVIEW:

Funding for this agreement is included in the fiscal year 2015-16 adopted budget.

LEGAL REVIEW:

Legal has reviewed the documents and approved them as to form and content.

CONCLUSION:

Authorizing the CEO to sign the Purchase Requisition for Rimini for the third Support Period Year of the MSA will provide for the continued support necessary to maintain the City's existing infrastructure and minimize the danger from system outages.

STEVEN ELY
I.T. Director

Tom Duarte
City Attorney

STEPHEN DUNIVENT
Interim Finance Director

Attachments: 1. [Purchase Requisition](#)