

AGENDA



Thursday, August 6, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 19**

Subject: Authorize award, negotiation, and execution of a contract through the State of Texas Department of Information Resources (DIR) with EXECUTIVE INFORMATION SYSTEMS, LLC, Bethesda, MD, for a technology assessment for the Communications and Technology Management Division in an amount not to exceed \$69,983.

Amount and Source of Funding: Funding is available in the Fiscal Year 2008-2009 Operating Budget of the Financial and Administrative Services Department, Communications and Technology Management.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Mick Osborne, Specialist Sr. Buyer/974-2995

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). This contract is a Cooperative Purchase; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this contract. However, the contractor intends to subcontract, after review by DSMBR, the contractor has provided good faith effort.

This contract is for the purchase of services necessary to perform Phase I of a two-part technology assessment for Communications and Technology Management (CTM) Division of the Financial and Administrative Services Department.

CTM develops, purchases, operates, maintains, and manages a large and diversified portfolio of information technology (IT) applications, systems, and infrastructure which serve the public and a very wide variety of City departments and external partners who have varied business needs, goals, and operations.

CTM is proposing to maximize available resources and improve the efficiency and quality of services by implementing a technology assessment and an activity-based management model with a two-phase project. In the short term, (Phase I), CTM is tasked with identifying the most immediate and substantial cost and capacity savings to address current budgetary constraints while maintaining or enhancing the quality of services provided to other City departments and constituents. In the long term, (Phase II), CTM seeks to further increase efficiency and improve service quality by developing a comprehensive inventory of the current IT portfolio, measuring the total cost of ownership including indirect costs, and creating shared services invoicing capability.

Executive Information Systems, LLC and their subcontractors, SAS Institute, Inc. and Cost Technology, will perform these services. SAS Institute is a world leader in activity-based management solutions which help businesses to optimize performance.

Phase I of the project will include a technology assessment to address the immediate need to identify cost and capacity savings. This phase will include: cost and improvement analysis for two key processes (IT procurement and applications support), a technology inventory to identify quick cost saving

opportunities and assessment reporting to include identification of savings through application consolidation or elimination, infrastructure and/or staff re-structuring.

Phase II is anticipated to provide an IT portfolio inventory, a cost allocation model based on total cost of ownership, and a shared service invoicing process. Upon determination of the full scope of Phase II, CTM will return to Council for approval.