



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Information Services



Date: September 21, 2012

Board Meeting Date: October 23, 2012

Special Notice / Hearing: None

Vote Required: Majority

To: Honorable Board of Supervisors

From: Reyna Farrales, Interim CIO/Director of Information Services

Subject: Issuance of Purchase Orders to Oracle Corporation

RECOMMENDATION:

Adopt a Resolution waiving the Request for Proposal process and authorizing the County Purchasing Agent to issue Purchase Orders to Oracle Corporation to provide proprietary software licenses and support maintenance for the term of January 1, 2013 through December 31, 2016, with a total combined fiscal obligation between all purchase orders not to exceed \$900,000.

BACKGROUND:

The County provides a number of services to residents using applications that depend on Oracle software. In addition, many of the applications used by County staff also depend on Oracle software. Ensuring the availability of these applications requires support from County staff as well as support from Oracle. Since Fiscal Year 2005-06, Oracle has acquired several IT software companies that the County used to contract with directly. Since Fiscal Year 2008 ISD has been recommending County departments consider using non-Oracle database software such as Microsoft SQL, when applicable, to reduce the maintenance costs of database software. In response, Oracle has been competitive with their pricing and offerings.

DISCUSSION:

Oracle's acquisition of several IT software companies from which we previously sourced our software maintenance has impacted our fiscal relationship with Oracle. While many alternative sources of database software are now available, many of the applications selected through RFP processes depend on Oracle as the database engine, and thus the number of Oracle databases requiring license and maintenance keeps growing. In addition, we source software maintenance and support for software other than databases from Oracle; for example 'Stellent', an Electronic Content management system utilized by the Human Services Agency.

Consistent with Oracle's acquisition of these IT software companies is a requirement from Oracle that support and maintenance for these systems be sourced only from Oracle. The waiver and authorization requested will permit the County's purchasing agent to obtain the necessary maintenance from Oracle for up to three years.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits. County Counsel has reviewed and approved this Resolution as to form.

This Resolution supports Vision 2025 Collaborative Community, promoting fiscal accountability by enabling countywide IT staff to keep Oracle software appropriately licensed and supported by the vendor.

PERFORMANCE MEASURE(S):

Measure	FY 2011-12 Actual	FY 2012-13 Projected
Percent of interoperable databases in use in the County	65%	75%
Number of total Oracle database instances supported under this authorization	0	135

FISCAL IMPACT:

The term of this purchase authorization is from January 1, 2013, through December 31, 2015, with a total combined fiscal obligation not to exceed \$900,000. Funds are included in departmental budgets for the current fiscal year and will be included in future year's budget requests.