From: Mayor

Subject: Proprietary Purchase of Computer Software Upgrade and Maintenance Support Services from Oracle Corporation for the Municipality of Anchorage, Municipal Light & Power (ML&P) ($81,778.51)

The subject Utility is requesting a proprietary purchase agreement with Oracle Corporation to upgrade its existing Oracle single user software licenses (Oracle Database Enterprise Edition, Diagnostics Pack, and Tuning Management Pack) and support to a two-processor network license and support for the network license. Currently the Utility has 23 individual licensed Oracle users that are allowed access to a dedicated server. The network license will allow unlimited user access to the server and provide support for the network license. As a part of the upgrade, ML&P is requesting the acquisition of Oracle’s Spatial two-processor network license and support services. The software licenses and maintenance support are proprietary to the owner/developer, Oracle Corporation.

Due to Hewlett Packard (HP) announcing the discontinuation of support on the HP3000 System that supports the Utility’s business application programs, ML&P is migrating from the HP3000 turbo image database to the newly acquired PowerPlant Work and Asset Management System with an Oracle database. The proposed software upgrade will support the migration of ML&P’s existing business application programs currently in use on the HP3000 system to the new system.

The fee for the software license upgrade and new license is $63,630.00. The cost of the annual software maintenance support is $18,148.51.

This acquisition has been approved by the Information Technology Technical Review Committee.

Based upon the above information and attached Departmental Memorandum, it is recommended that the Assembly approve the proprietary purchase of computer software upgrade and software maintenance support agreement with Oracle Corporation in an amount not to exceed $81,778.51.

Recommended by: Barton R. Mauldin, Purchasing Officer

Fund Certification: Sharon Weddleton, CFO
530-M1130-1071-M2857-BY2008 - $45,000.00
(2008 Capital)
530-M1130-1840-M1840-BY2008 - $36,778.51
(2008 Operating)

Concur: Michael K. Abbott, Municipal Manager

Respectfully submitted, Mark Begich, Mayor
ML&P requests approval and expedited processing of the attached requisition for the upgrade purchase of Oracle license and support software. This is an upgrade of our current Oracle Database Enterprise Edition 23 Named User Single Server license and support to Oracle Database Enterprise Edition 2 Processor license and support with Spatial, Diagnostics Pack, and Tuning Packs modules. This will upgrade our current 23-named user license to a two-processor license at a cost of $45,000.00, and the associated maintenance support at a cost of $36,778.51. Because ML&P is upgrading its current Oracle license, this purchase can only be accomplished through Oracle and not through Oracle resellers.

This software is in support of our pending PowerPlan contract for the migration of ML&P software. In accordance with our pending contract with PowerPlan Consultants, Inc., ML&P is required to provide specific software to support work associated with the migration effort. PowerPlan Consultants, Inc. is the contractor who will be implementing a new Work and Asset Management System associated with ML&P’s HP3000 migration effort. Subsequent to the release of RFP-260P040DC, Work and Asset Management System Replacement, PowerPlan Consultants, Inc. proposed the best response of several vendors. Based upon their response, ML&P requested approval to enter into contract negotiations for the purpose of defining the contract and its costs. As a result of those negotiations, a contract has been negotiated and was submitted for Assembly approval.

Background: In November 2001 Hewlett Packard (HP) announced it would discontinue support of the HP3000 in December 2006. ML&P has used the HP3000 as its primary computer platform supporting its business applications for nearly 20 years. Applications have been written in house and updated over the years to continue to provide the best support to ML&P business needs. These applications include Work order preparation (WO), Continuing Property Records (CPR), Accounting and payroll functions that interface to the PeopleSoft software maintained by the MOA, Customer Billing, as well as a number of smaller applications supporting electrical metering and distribution technical requirements. It was determined that the most cost effective solution was to replace the applications with off the shelf products.
Expedited purchasing is requested as the consultants are anticipated to be on site as soon as by mid-February.

Funds are available in PSFIS:

530 - M1130 - 1071 - M2857 BP2008 $45,000.00 (2008 Capital)
530 - M1130 - 1840 - M1840 BP2008 $36,778.51 (2008 Operating)

[Signature]

Richard E. Miller, Finance Manager and Assistant General Manager

1/29/08
**Content ID:** 006047  
**Type:** AM_CitingFunds - Citing Funds Memorandum  
**Proprietary Purchase of Computer Software Upgrade and Maintenance**  
**Title:** Support Services from Oracle Corporation for the Municipality of Anchorage, Municipal Light & Power (ML&P) ($81,778.51)  
**Author:** maglaquiip  
**Initiating Dept:** Purchasing  
**Description:** Pre-encumbered, PR #2635, $81,778.51  
**Date Prepared:** 2/15/08 2:43 PM  
**Director Name:** Barton R. Mauldin  
**Assembly Meeting Date:** 2/26/08

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**CONSENT AGENDA – NEW BUSINESS**