

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING  
EXECUTION OF TWO-YEAR CONTRACTS  
FOR PRIMARY SERVICE OF THE EXISTING  
HARDWARE AND FOR LICENSING OF THE  
FINANCIAL COMPUTER OPERATING  
SYSTEM.

} RESOLUTION NO. 96-2370  
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} Introduced by Mike Burton  
} Executive Officer  
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WHEREAS, Metro currently has a mainframe computer which the existing financial system runs on; and

WHEREAS, the mainframe computer is a Unisys mainframe running the Unisys operating system; and

WHEREAS, Metro has a contract with Unisys for the operating system license and for hardware maintenance support; and

WHEREAS, Metro is in the two-year implementation process of replacing the existing hardware and operating system, known as the Management Information System project; and

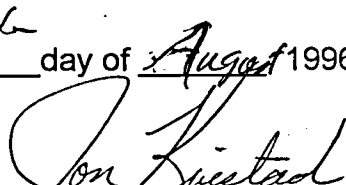
WHEREAS, Metro is proposing a two year pre-paid term for licensing the operating system and for hardware maintenance support to save money over the remaining finite life cycle of the existing financial system. All other terms and conditions of the existing contract remain unchanged.

BE IT RESOLVED THAT

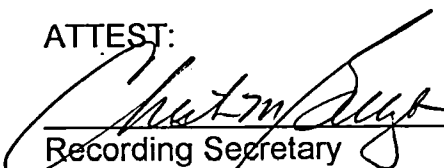
1. The Metro Council grant authority to the Executive Officer to change the term of the existing Unisys/Metro contract to a prepaid two year term for purposes of licensing the operating system and for hardware maintenance support.

2. The Metro Council approve the disbursement of \$117,539.68 to cover the prepaid term two year term.

ADOPTED by the Metro Council this 8<sup>th</sup> day of August 1996.


  
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Jon Kvistad, Presiding Officer

ATTEST:

  
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Recording Secretary

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Approved as to Form:

  
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Daniel B. Cooper, General Counsel



## STAFF REPORT

IN CONSIDERATION OF RESOLUTION 96-2370 FOR THE PURPOSE OF AUTHORIZING EXECUTION OF TWO-YEAR CONTRACTS FOR PRIMARY SERVICE OF THE EXISTING HARDWARE AND LICENSING OF THE FINANCIAL COMPUTER OPERATING SYSTEM.

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Date: July 2, 1996

Presented By: Jennifer Sims

### PROPOSED ACTION:

Adoption of Resolution 96-2370 for the purpose of authorizing execution of two-year contracts for primary service of the existing hardware and licensing of the operating system.

### FACTUAL BACKGROUND AND ANALYSIS:

#### *Unisys Computer Operating System Supporting the Existing Financial System*

On a monthly basis, Metro pays Unisys for the license to use the operating system, running on the mainframe computer, which supports the existing financial system. The operating system is critical to the functioning of the financial system. Metro is actively working to replace the existing financial system via the Management Information System project which will take approximately two years.

Metro currently pays Unisys \$2,746 per month for the license to use the Unisys' operating system and for software support. Unisys has proposed entering into a 2 year prepaid contract in the amount of \$50,602 affording Metro a minimal savings of \$15,302.

Staff is recommending the Council take advantage of this opportunity to save money supporting the current financial system environment.

#### *Unisys Hardware Maintenance in Support of the Existing Financial System*

On an annual basis, Metro pays Unisys to provide hardware maintenance support for the mainframe computer which runs the existing financial system. The invoice amount for FY 96-97 is \$35,988. Unisys is offering Metro a reduced fee structure, 7% discount, for entering into a prepaid two-year term. The reduced rate will save Metro a minimum of \$5,038.32.

Staff is recommending the Council take advantage of this opportunity to save money for services required to continue the support of the existing financial system.

### *Budget Impact*

Information Management Services Division budgeted a total of \$67,397 for Unisys hardware and operating system license/support in FY 96-97. The total distribution to Unisys for the two-year prepaid arrangement is \$117,539.68. The difference between the amount budgeted and the amount Metro will prepay is \$50,142.68. It is recommended Metro transfer \$50,142.68 from Support Services Contingency to the Department of Administrative Services for purposes of prepaying both the operating system license and the hardware maintenance support.

### Executive Officer's Recommendation:

The Executive Officer recommends adoption of Resolution 96-2370.