

**COUNCIL ACTION FORM**

**SUBJECT: GIS SOFTWARE ENTERPRISE LICENSE AGREEMENT**

**BACKGROUND:**

The City of Ames has made a considerable investment in Geographic Information Systems (GIS) technologies including the necessary software. The City currently uses ArcGIS as its primary GIS software platform and has 94 installations deployed throughout the organization. ArcGIS is developed and distributed by Environmental Systems Research Institute (ESRI) of Redlands, California.

For the fiscal year 2009/2010, the City has appropriated \$43,004 for existing annual ESRI software maintenance contracts and an additional \$7,996 in planned ESRI software purchases. Recently ESRI has offered the City of Ames the opportunity to enter into a multi-year Enterprise License Agreement (ELA). The proposed agreement would allow the City to leverage currently budgeted software expenditures and acquire unlimited ArcGIS licensing, training, and support for the entire organization. The ELA is a three-year agreement with a cost of \$51,000 per year. This alternative will have far reaching impacts because it will remove a significant barrier to organizational-wide GIS implementation by removing the large upfront cost of single license purchase.

The total contract amount is \$153,000 over three years (\$51,000 per year). ESRI software expenses have been, and will continue to be, spread across numerous departments according to use as follows:

<i>Department</i>	<i>Current</i>	<i>Proposed</i>
Electric	\$15,000	\$15,658.95
Planning & Housing	\$ 7,954	\$ 8,303.42
Public Works	\$14,550	\$20,889.19
Water & Pollution Control	\$ 400	\$ 417.57
Police	\$ 300	\$ 720.00
Information Technology	\$ 3,000	\$ 3,131.79
Assessor's Office	\$ 1,800	\$ 1,879.07
<b>TOTAL</b>	<b>\$43,004</b>	<b>\$ 51,000</b>

The only significant budgetary increase is in Public Works. During the first year this additional funding will come from accumulated depreciation funding for equipment that is no longer in inventory.

**ALTERNATIVES:**

1. Approve the enterprise license agreement with ESRI of Redlands, California, for a term of three years at a rate of \$51,000 per year.
2. Reject the agreement.

**MANAGER'S RECOMMENDED ACTION:**

Approving the enterprise license agreement with ESRI will allow the City to leverage existing software expenditures and provide for unlimited licensing and users within the organization. Doing so will provide a cost effective way to increase information sharing throughout the City organization.

Therefore, it is the recommendation of the City Manager that the City Council accept Alternative No. 1, thereby approving the ELA with ESRI of Redlands, California, for a term of three years at a rate of \$51,000 per year.

A brief demonstration of the capabilities of this GIS system will be presented to Council on Tuesday night.