

Agenda Report

April 25, 2022

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AMEND CONTRACT WITH ORACLE TO EXTEND THE CAPACITY OF THE ORACLE CLOUD INFRASTRUCTURE ("OCI") ENVIRONMENT AND ADD ADDITIONAL ORACLE FIELD SERVICES CLOUD ("OFSC") MOBILE APPLICATION USER LICENSES FOR THE WATER AND POWER AND PUBLIC WORKS DEPARTMENTS

It is recommended that the City Council:

1. Find that the proposed actions are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption or General Rule);
2. Authorize the City Manager to amend City Services Contract 31483, the Master Service Agreement with Oracle America, Inc. ("Oracle"), to extend the capacity of the Oracle Cloud Infrastructure ("OCI") environment; add 20 additional Oracle Field Services Cloud ("OFSC") user licenses; and, increase the maximum contract amount by \$275,000 to the existing contract amount of \$3,690,000; for a new total not to exceed amount of \$3,965,000.

EXECUTIVE SUMMARY:

The Water and Power Department ("PWP") provides billing services for electricity, water, sewer, and refuse utilities, and several key utility-related taxes. Collectively, the Customer Information System ("CIS") produces customer bills that generate approximately \$280 million of annual revenues. PWP recently completed a multi-year, multi-million dollar project to replace its aging CIS system. The new CIS system is the foundation for the City of Pasadena's commitment to modernizing technology and automating processes to provide excellent customer service.

The CIS software is installed on the Oracle Cloud Infrastructure ("OCI") platform. Additional CIS environments will be necessary to support future PWP automation project initiatives. PWP will also migrate systems traditionally hosted on local, on-site computers to the OCI cloud platform which will result in cost savings over time and improved cybersecurity. Additional OFSC user licenses are necessary to improve business processes by redeploying work previously performed on paper to smart tablets.

BACKGROUND:

PWP provides utility billing and bill processing services for electric, water, sewer, refuse, and utility-related taxes on behalf of the City. In April 2022, PWP completed a multi-year, multi-million dollar project to replace its aging CIS. The new CIS software is installed on computers in the OCI platform. The recommended contract amendment would allow for provisioning of additional CIS environments to be used for training, enhancements and implementation of the Advanced Meter Infrastructure ("AMI") smart meter project. Increased capacity will also allow for the migration of non-CIS systems and databases to the OCI cloud platform. The Supervisory Control and Data Acquisition ("SCADA") archive database and utility financial and operational reports database have been identified as candidates to be redeployed within the OCI platform. Migrating systems traditionally hosted on physical computers will result in cost savings over time and improve cybersecurity protocols for critical systems.

The OFSC is a mobile application used by the Water and Power and Public Works Departments to manage field work such as meter installations, meter reads and special pickups for refuse operations. The contract amendment will allow for the addition of 20 OFSC mobile user licenses to improve operational productivity by migrating work previously performed on paper to smart tablets.

City Services Contract 31483 with Oracle America Inc. will expire in September 2024. The recommended action will increase the OCI cloud platform capacity and 20 additional OFSC licenses for the duration of the existing contract. The total cost of the amendment is shown in Table 1.

Table 1 – Recommended Additional Not To Exceed Amounts

Duration	OFSC Licenses (20)	OCI Capacity Increase	Total
29 Months	\$14,438	\$260,562	\$275,000

COUNCIL POLICY CONSIDERATION:

The proposed contract amendment supports the City Council's goals to maintain fiscal responsibility and stability, and align with PWP's Strategic Initiatives to enhance customer satisfaction and confidence, improve efficiency and business continuity and maintain PWP's fiscal health and stability. The contract also supports the City Council goal to maintain and enhance public facilities infrastructure, and promote the quality of life in the City and increase its attractiveness through more efficient management of resources.

ENVIRONMENTAL ANALYSIS:

The proposed action is the execution of an agreement for professional services intended to promote energy and water conservation. This action has been determined to be exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3), the common sense exemption (formerly the general rule) that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; such is the case for the proposed professional services agreement to provide energy and water usage reports and tips to encourage conservation. There would be no direct physical changes in the environment. The proposed services would have a beneficial impact on the environment by reducing the use of energy and water.

FISCAL IMPACT:

The maximum cost of this action will be \$275,000. Funding for the action will be addressed by the utilization of existing and future budget appropriations in Water and Power Capital funds and Operating funds as shown in Table 2 below. It is anticipated that \$61,000 will be expended during the current fiscal year. The remainder of the costs will be spent over the next three fiscal years. Anticipated expenditures by fiscal year are shown in Table 2.

Table 2 – Summary of Fiscal Impact

Fiscal Year	Operating		Capital		Total
	Power (42209210- 811600)	Water (42207920- 811600)	Power (CIP 3271)	Water (CIP 1096)	
FY 2022	\$23,400	\$12,600	\$16,250	\$8,750	\$61,000
FY 2023	\$29,900	\$16,100	\$23,400	\$12,600	\$82,000
FY 2024	\$29,900	\$16,100	\$23,400	\$12,600	\$82,000
FY 2025	\$16,250	\$8,750	\$16,250	\$8,750	\$50,000
TOTAL	\$99,450	\$53,550	\$79,300	\$42,700	\$275,000

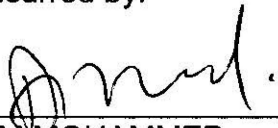
Respectfully submitted,


JEFFREY KIGHTLINGER
Interim General Manager
Water and Power Department

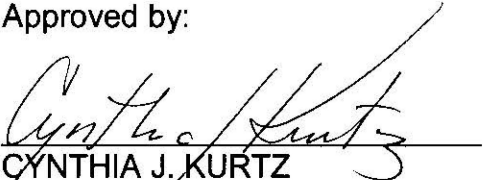
Prepared by:


JEREMY MARQUETTE
Utility Operational Technology Manager
Water and Power Department

Concurred by:


ASIM MOHAMMED
Acting Chief Information Officer
Department of Information Technology

Approved by:


CYNTHIA J. KURTZ
Interim City Manager