



MEMORANDUM

FC 14 (01-02-07)

TO: Anil Comelo, Interim Chief, Administration

FROM: Tina N. Yoke, Deputy
Administrative Officer,
General Services

SUBJECT: Environmental Systems Research Institute
(Esri) SOLE SOURCE to be discussed at CIP
Committee

DATE: March 29, 2018

The purpose of this memorandum is to provide information regarding the rationale of approving a sole source contract for software maintenance and support services from Esri.

The District began using Environmental Systems Research Institute (Esri) software as its standard Geographic Information Systems (GIS) platform in the mid-1990s. The District currently has an agreement in place with Esri to support GIS operations in the amount of \$54,787.67. Esri is also currently listed on the District's sole source software maintenance/support list.

The agreement requiring Board approval is for a new project. As such, it could not appropriately be classified under the existing sole source maintenance list. Further, the new project's value for the requested three-year initial contract term is \$968,800. This contract value exceeds any allowable use of a change order to the existing contract. Additionally, the scope of services for the new Agreement differs from the District's other agreement.

Funding for the new project to upgrade the District's enterprise GIS was approved in the Software Upgrades & Enhancements Capital project (73274008) for fiscal years 2018 and 2019. The funding to support maintenance of the upgraded enterprise GIS after fiscal year 2019 has been added to the Software Maintenance & License Operations project (60161001).

The District's Information Technology Division justified the value to the District to continue to standardize with the Esri GIS solution versus going out to bid to potentially end up with two different GIS systems used by the District. The District has been using Esri products for approximately twenty years. All District GIS datasets are in formats accessible by Esri applications and most District GIS datasets are in proprietary Esri formats. District staff have been trained to use Esri applications. Most District consultants/contractors, as well as other agencies that the District interacts with, are standardized on Esri products and data. The impact of not choosing Esri as a sole source vendor for our GIS Enterprise Agreement would be significant and require changes which potentially include conversion of thousands of GIS datasets and projects, dozens of applications (such as Flood Watch), and several integrations (with systems such as Access Valley Water and ALERT) as well as training of hundreds of District staff. Switching to another GIS vendor would take considerable staff time and resources and would make it harder to collaborate with both consultants/contractors and other agencies.

In this regard, the District requested Esri provide several executed agreements awarded to them from other public agencies via a competitive bid process. District staff reviewed two of the most similar agreements provided by Esri to compare similar scope of services to determine price reasonableness. The two awarded agreements from the Coachella Valley Water District and County of Sonoma were used to determine price reasonableness of the pricing proposed for the District. The comparable cost per user is slightly less for the District than the agreement cost for the Coachella Valley Water District of \$400 per user and much lower than County of Sonoma per user cost ranging from \$1,850 to \$2,050. Therefore, based upon the importance of using Esri as the standard and the reasonableness of the pricing structure, I support the use of sole-source contracting in this case.

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