



February 26, 2009

Agenda Item 4.2: Software Maintenance Contract

TO: Sacramento Public Library Authority Board Members

FROM: Gerry Calderon, Information Technology Manager

RE: Renewal of Software Maintenance Contract – Millennium System

RECOMMENDED ACTIONS

1. **Approve** the attached annual renewal agreement with Innovative Interfaces, Inc., for \$140,288 that provides for maintenance of the Millennium software system, a software package designed to perform specific functions associated with the purchase, inventory and lending of materials and includes core modules that provide acquisitions, cataloging, circulation, serial numbering and online cataloging functions.
2. **Authorize** the Library Director to sign all documents related to this contract within the approved terms.

FISCAL IMPACT

The attached software maintenance agreement totals \$140,288 and is included in the 2008-2009 Final Budget adopted by the Board on September 25, 2008.

REASONS FOR RECOMMENDATIONS

At its June 24, 1999 meeting, the Sacramento Public Library Authority Board approved Resolution #99-23, a resolution approving the Library Director to enter into a negotiated agreement with Innovative Interfaces, Inc. to provide the Sacramento Public Library with the Millennium Integrated Library System (ILS).

Subsequent to this initial contract, staff has entered into annual contracts for software maintenance and support services. This annual support contract is typically paid on or about July 1 of each fiscal year. Staff has delayed paying this year's annual contract with the intent of including a major server upgrade in the final contract amount, which upgrade was completed in November 2008. In addition, the new process for monitoring contracts that require Board approval alerted staff to the need for this contract to be presented for approval prior to processing, since it exceeds \$50,000.

Staff operated under the erroneous assumption in prior years that Board approval of the initial software purchase contract was adequate for subsequent annual maintenance contracts to be approved and paid at the



February 26, 2009

Agenda Item 4.2: Software Maintenance Contract

staff level. This does not comply with the Procurement and Contracts Policy presented for Board approval at the February 26, 2009 meeting. As a result, staff is presenting this contract for Board approval prior to processing and payment to the vendor. Staff will continue to monitor all contracts for compliance going forward.

The Software Product

The ILS is essential to the delivery of library services. The ILS combines key integrated software modules designed to perform specific functions associated with the purchase, inventory and lending of materials. The core modules of the ILS system include:

- Acquisitions
- Cataloging
- Circulation
- Serials
- Online Catalog

The Online Catalog showcases the Library's material collection, and is used by staff and customers to search for library materials from any computer with an Internet connection. Most recently, the Online Catalog further highlights the materials collection by displaying cover art and publisher reviews.

The system also tracks customers cardholder information, including information on fines and fees owed. By authenticating Sacramento Library card holders, the ILS system is the gateway to a vast collection of online resources offering full text articles from any public access computer or from anywhere in the world via the Internet.

Software Maintenance and Support Services

Software Maintenance and Support Services are purchased annually. This ensures the Millennium ILS will remain current with new releases and improvements to licensed software modules. These services include unlimited access to a 24-hour Help Desk with a 2 hour response time to repair software and technical issues, as well as administrative and technical support, and performance monitoring and fine tuning of the server and related equipment.

ATTACHMENTS:

Exhibit A: Maintenance Agreement with Innovative Interfaces, Inc.

MAINTENANCE AGREEMENT

SOFTWARE MAINTENANCE

- a) This Maintenance Agreement will cover all licensed Software.
- b) The term of this Agreement is for the period July 1, 2008 through June 30, 2009 at \$140,288 payable in advance. If the Library chooses to pay semi-annually, quarterly or monthly, a percentage of the total annual maintenance amount will be added as an administrative fee as follows:

Payment Semi-annually	3%
Payment Quarterly	5%
Payment Monthly	10%
- c) Future maintenance charges may be subject to a price increase, which amount is not to exceed five (5%) percent per year of the yearly maintenance amount.
- d) If the Library decides to cancel the Agreement, Innovative must be notified 90 days prior to the annual maintenance renewal date.
- e) The Library must provide direct network internet access to the System; this would also apply to firewalls, etc. Innovative requires such access to correct Software bugs and carry out modifications to the System for the purpose of maintaining the System. Innovative Interfaces will be responsible for all Software corrections at Innovative Interfaces' expense.
- f) Innovative Interfaces will provide the Library with new releases of the licensed Software modules so long as the Hardware and operating system used for the System is sufficient and/or compatible for the load and operation of such new release. If the Hardware or operating system is deemed not to be sufficient for installation of the new release, then the Library shall be responsible for the cost of new hardware or operating system as may be required. If the Library declines to upgrade its Hardware or operating system to accommodate the upgrade to the licensed Software, then the Library shall remain at its then current software release. For the purpose of this document, the term "new release" shall mean improvements in already licensed Software modules.
- g) If the Library adds any additional Innovative Software modules to the System after the initial installation, the maintenance services shall be extended to cover the additional Software. The maintenance charges for such Software shall be based upon Innovative's then current maintenance rates. The additional cost of coverage for the additional Software shall be added to the annual maintenance amount.
- h) Innovative will provide services 24 hours a day. Innovative will make its best efforts to return calls within 2 hours of receipt and repair Software within 48 hours of notice, excluding weekends and holidays.
- i) This Maintenance Agreement does not include repair services due to damage caused by rain, fire, flood, lightning, tornado, windstorm, hail, earthquake, explosion, smoke, aircraft, motor vehicle, collapse of building, strike, riot, power failure or fluctuation, or other cause originating by reason of other than normal operation of the System, or Library's negligence or misuse of the System.
- j) The Software shall be operated as the exclusive application on the Hardware.

**CENTRAL SITE HARDWARE ('HARDWARE'): Sun V890
Serial number 0835AM0030**

- a) The Library agrees to take reasonable care of the Hardware and not permit persons other than authorized representatives of the Hardware Manufacturer to effect adjustments or repairs to the Hardware.
- b) Until expiration of the Hardware Warranty period, **Aug 30, 2011**, Innovative will coordinate services provided by the Hardware Manufacturer. Thereafter, the Library will coordinate services provided by the Hardware Manufacturer. If the Library changes the Initial Hardware configuration in any way, the warranty terms may be changed by the Hardware Manufacturer, which cost will be born by the Library.
- c) Upon expiration of the Hardware Warranty period, or if the Hardware Warranty terms are changed by the Hardware Manufacturer, the Library will take full responsibility for both the Central Site Hardware and operating system administration. Alternatively, the Library may choose to retain Innovative for operating system administration at Innovative's then standard rates.
- d) The Library is responsible for any problems that may occur due to the negligent use or intentional misuse of the operating system, including data corruption or data loss that might occur due to the misuse of the root-privilege access. As the Library reports problems, Innovative will determine if the problems resulted from the Library's activity within the operating system, and will notify the Library at that time that such service shall be billable. All remedial service provided by Innovative to restore Software, system files, or Library files corrupted by misuse of the operating system shall be billable at Innovative's then-current hourly rates.
- e) The Library is responsible for independently purchasing additional equipment, operating system software, and licensing other services beyond the initial configuration of the System.
- f) Any services provided by Innovative due to Library-supplied equipment failure, where such equipment was not purchased from Innovative, and over which Innovative has no direct control, shall be billable at Innovative's then current maintenance rates.

SACRAMENTO PUBLIC LIBRARY (SACTO)

By: _____

Name:

Title:

Date: _____

INNOVATIVE INTERFACES, INC.

By: 

Name: Arlene Debergue

Title: Customer Accounts

Date: 10 November 2008

THIS PAGE INTENTIONALLY LEFT BLANK