

**MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors
FROM: David Seward, Purchasing Manager *DS*
DATE: March 7, 2006
SUBJECT: Recommendation to Purchase Year Eight (8) of a Site License Agreement from Oracle Corporation.

RECOMMENDATION

Approve the purchase of an eighth year of site licensing (software) from Oracle Corporation in the amount of \$206,009.06 and authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

Oracle has been the County's standard database management software since 1997. This software operates several databases within the County including the current financial system (PAS), the payroll/personnel system (ACORN), the Sheriff's record management system (Tiburon), and many others. Standardization provides efficiency in support, integration, monitoring, and other related issues, resulting in cost savings to the County. On April 20, 1999 your Board approved the financing of a five-year site license and support agreement with Oracle in the amount of \$1,601,318.00. Following the end of the fifth year your Board approved a sixth and seventh year of site licensing support. The seventh year licensing is due to expire on May 6, 2006.

A provision in the agreement allows for year-to-year site license renewals beyond the initial five-year period. The Administrative Services' Information Technology Division has requested that the site license be renewed for the period May 7, 2006 through May 6, 2007. Oracle has provided a renewal quote in the amount of \$206,009.06, which includes applicable sales tax, and is commensurate with Oracle's standard three (3%) percent increase per year.

FISCAL IMPACT

Administrative Services' Information Technology Division has budgeted appropriately for this anticipated expenditure.

cc: Clark Moots, Director of Administrative Services

