



AGENDA MEMORANDUM
Action Item for the City Council Meeting January 30, 2023

DATE: January 30, 2023

TO: Peter Zaroni, City Manager

FROM: Peter Collins, Chief Information Officer of Information Technology
PeterC@cctexas.com
(361) 826-3735

Josh Chronley, Assistant Director of Finance & Procurement
JoshC2@cctexas.com
(361) 826-3169

IBM Maximo Upgrade, Licenses and Maintenance Renewal
--

CAPTION:

Motion authorizing execution of a three-year service agreement with ZPRO Solutions, Inc. of Naples, Florida, for \$906,403.88 for the renewal of Maximo software licenses, hosting and maintenance, and a one-year professional services contract with IBM Corporation of Armonk, New York, for \$542,400.00, for the upgrade to Maximo 8, with FY 2024 funding of \$711,242.76 from the Information Technology Fund.

PURPOSE:

To upgrade Maximo, purchase licenses, hosting services and continued support and maintenance for IBM's Maximo application city-wide to manage and maintain city assets, preventive maintenance schedules, job plans and work orders.

BACKGROUND AND FINDINGS:

The IBM Maximo Application suite of software is used by multiple departments for daily tracking of assets, preventive maintenance schedules, job tasks, and work orders. Maximo integrates with the City's 311 platform and GIS, and we are working on a new integration with Cartegraph.

Gas, Utilities, Airport, Public Works and Parks & Recreation, currently use Maximo 8 hours a day to manage their daily work schedules and assets. Maximo has over 1300

users, over 900,000 assets and over 28,000 active work orders. We are currently working with the American Bank Center and the Museum of Science and History to load assets maintained at these facilities.

The upgrade to Maximo 8 and the new IBM licensing structure is necessary, as our current version is reaching end-of-life September 2025. After that point, the version will no longer receive patches or updates, posing a security risk to the City's network. The new version will also allow the City access to all modules within the Maximo Suite. Information Technology is also transitioning this software to a cloud (hosted) solution which allows for regular security patching and software updates.

PROCUREMENT DETAIL:

This procurement is being facilitated through the DIR Cooperative. Contracts awarded through the DIR Cooperative have been competitively procured in compliance with Texas Local and State procurement requirements. The savings on the DIR Cooperative for this software and support purchase over the life of the contract is \$417,446.12.

Maximo	3-Year Cost	Savings	Savings %
Retail	\$1,186,250.00		
DIR	\$1,491,065.12	\$375,184.88	20.10%
IBM/ZPro	\$1,448,803.88	\$417,446.12	22.40%

ALTERNATIVES:

No alternatives.

FISCAL IMPACT:

The fiscal impact to FY2024 is \$711,242.76, with funding available in the Information Technology Fund. Funding was approved as a Budget Decision Package for FY2024. The remaining cost will be budgeted during the annual budget process.

FUNDING DETAIL:

Fund: 5210
Organization/Activity: 40470
Project # **(CIP Only): n/a**
Account: 520105

RECOMMENDATION:

Staff recommends approval of this motion authorizing a service agreement with ZPRO and IBM as presented.

LIST OF SUPPORTING DOCUMENTS:

Purchase Agreement Co-op
Maximo Application
Price Sheet