



Report to City Council

To: Honorable Mayor and Members of the City Council

From: Grant Yates, City Manager

Prepared by: Jason Simpson, Assistant City Manager

Date: February 14, 2017

Subject: Three-Year Agreement with Environmental Systems Research Institute (ESRI) for Geographic Information System (GIS) to an Enterprise Software License Agreement

Recommendation

Authorize the City Manager to execute the agreement on an unlimited basis including maintenance for the firm, three-year commitment in the annual amount of \$50,500, totaling \$151,500.00.

Background and Discussion

The City of Lake Elsinore has been using ArcGIS products from Environmental Systems Research Institute, Inc. (ESRI) to manage its GIS service needs since 2006. These products consist of desktop applications, which provide one user with the ability to create, edit and publish maps, as well as limited, online storage of published content. This enables the City to provide useful, though limited maps and associated statistical content to its staff and its citizens.

These ArcGIS products require the City to pay an annual maintenance fee of roughly \$26,000 dollars for their continued use. This fee also provides for ten thousand online service credits from ESRI, which enable the City to publish a limited amount of cloud-based, online content to the ESRI servers. The cost to create and publish content to the ESRI servers fluctuates, depending on factors such as the amount and types of the content published. For this reason, it has become difficult to satisfy the needs of all of the various departments / systems that rely on the published GIS data, making it advantageous for the City to upgrade its current GIS environment. Licensing new ArcGIS products from ESRI will enable the city to host its own GIS environment in-house, thus, reducing the need to rely on ESRI for this hosting service.

The City has encountered a number of obstacles to its recent EnerGov, land management software system implementation related to the limitations inherent in our current GIS environment, which is unable to generate the content needed in a timely manner, nor do we have the sufficient service credits to store that content for staff and public consumption. The City currently has a limited number of licenses for ArcGIS products, which are loaded onto one or more desktop computers. Authorized City staff can use these desktop products to produce new content or edit existing maps, as well as perform statistical analysis on its geodata but all content produced by staff is stored on ESRI servers. The City pays ESRI in "service credits" to store its content, as well as perform any sort of statistical analysis against stored content hosted by ESRI in the cloud.

ESRI charges ten cents (\$0.10) for each service credit. The City receives ten thousand service credits with its annual software maintenance renewal. These credits expire at the end of the year if they are not used. Much of the desired GIS work remains incomplete because staff have been trying to minimize unexpected, additional charges. This has had a direct impact on the City's ability to serve timely, relevant GIS data to the EnerGov land management system and city customers.

City staff, along with GIS consultants, recently met with the account services team from ESRI, in order to identify all of the GIS options available to the City. We recommend the ArcGIS, Small Government Enterprise Option, which would enable the city to satisfy its immediate GIS needs, as well as to provide for their expected long-term growth.

In order to facilitate this change, the City will need to restructure the manner in which it utilizes the ArcGIS products. The City should license an Enterprise version of the ArcGIS software, which will enable the City to host its own GIS environment in-house, on its own servers and in its own network environment. This will eliminate the need to publish data to the ESRI servers for the City's everyday GIS use.

By hosting its own GIS environment, it will enable the City to control its own GIS destiny, fix the costs for all GIS utilization and provide far more usable content in a timelier manner to its staff and citizens.

The ArcGIS Small Government Enterprise Agreement option includes licensing for an unlimited number of server instances, along with five hundred user licenses. ArcGIS Online is a cloud-based repository for any content that needs publishing for wider consumption. It also includes a host of applications for publishing maps and performing analytical analysis of geodata.

Fiscal Impact

The Information Systems Internal Services Fund has funding available for the \$151,500 to implement this agreement for the three-year period.

Exhibits

- A. ESRI License Agreement