



Agenda Report

MEETING DATE: Tuesday, April 11, 2023

TO: City Council

FROM: INNOVATION & TECHNOLOGY DIRECTOR GILL
GIS ANALYST II COLE

THROUGH: CITY MANAGER MENDEZ

SUBJECT: ESRI GIS SOFTWARE LICENSE RENEWAL 3-YEARS, \$168,400

RECOMMENDED ACTION:

Staff recommends Council approve the renewal of a 3-year enterprise license agreement with ESRI for \$55,000 in year one and \$56,700 per year in years two and three for a three-year total of \$168,400.

BACKGROUND:

GIS (geographic information system) technology has long been an essential tool for the effective functioning of city and local governments. As the foundation for all GIS mapping and data management at the City, ESRI software is a critical tool that supports operations at nearly every level across almost every department, including asset management; regulatory compliance; short and long-range planning; capital improvement planning; the provision of data and information to staff, residents, partners, and consultants; informed decision-making; emergency preparedness and response; and citizen engagement and an open, transparent government.

As City of Watsonville transitions to becoming a fully digitally-enabled 'smart city,' GIS will serve as the cornerstone of a connected and integrated suite of business systems and information that will continue to improve the City's level of service. The future is decidedly more digital, more connected, and more dependent on technology like GIS to empower this transformation.

DISCUSSION:

The City has been an ESRI customer for decades. The contract referenced by this memo is a 3-year renewal of our most recent 3-year contract.

STRATEGIC PLAN:

The application of GIS technology and methods is well-suited to support the entire scope and range of the City's strategic plan, including planning, analysis, presentation/visualization through to implementation, tracking, and reporting.

FINANCIAL IMPACT:

The most recent contract with ESRI (2020-2022) was based on 2019 pricing at \$50,000 per year for three years. In 2020, ESRI implemented a 10% price increase and in 2023 a 3.1% price increase. The City has negotiated with ESRI to put off the 2023 pricing until year 2024 so the cost for this contract will be \$55,000 in year one (2020 pricing) and \$56,700 in years two and three. Software licensing is paid for out of the IT budget.

ALTERNATIVE ACTION:

There are no reasonable alternatives, ESRI software is ubiquitous in city and local government. ESRI has more than 30,000 city and local government customers including the City of Watsonville, City of Santa Cruz, City of Salinas, City of Gilroy, Santa Cruz County, Monterey County, San Benito County, and Santa Cruz Regional 911.

ATTACHMENTS AND/OR REFERENCES (If any):

None.