



**SAN FRANCISCO  
DEPARTMENT OF  
TECHNOLOGY**

**Michael Makstman**  
Chief Information Officer &  
Executive Director

Date: March 3, 2026

To: Clerk of the Board of Supervisors

From: Michael Makstman  
City CIO, Executive Director  
Department of Technology

**Re: Request for Approval of the Third Amendment to the Citywide Enterprise Agreement with Mythics LLC for Oracle Products  
Supplier ID: 0000014636; FSP Contract ID: 1000020990**

The Department of Technology (DT) respectfully requests approval of the Third Amendment to the Citywide Enterprise Agreement (EA) with Mythics LLC (Mythics) for Oracle products. This amendment will:

1. Extend the agreement for 31 months, from May 1, 2026 to November 30, 2028; and
2. Increase the contract not-to-exceed amount from \$60,000,000 to \$94,587,831.

The current agreement, approved in 2021 for a five-year term, is scheduled to expire on April 30, 2026.

The City relies extensively on Oracle software, hardware, and cloud solutions to operate mission-critical systems across departments, including financial, human resources, public safety, and other operational platforms. Maintaining a Citywide agreement ensures uninterrupted system access under standardized terms and pricing, while preventing fragmented, higher-cost procurements by individual departments.

The extended EA will continue to cover all Oracle products, including Oracle software licenses, hardware, software and hardware support, and Oracle cloud computing solutions.

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#### **Cost Savings and Avoidance:**

Independent industry forecasts from Gartner project annual price increases of 8–10% across Oracle products. Without this amendment, the City would be subject to these market-driven escalations.

Through extensive negotiations, DT successfully secured significantly lower caps:

- 4% annual increase for on-premise software and hardware maintenance
- 5% annual increase for Oracle Cloud subscriptions

Based on current spending levels and Gartner’s forecasted increases, DT estimates approximately **\$1.3 million in cost avoidance over the next two and a half years.**

In addition to limiting annual increases, the City will continue to benefit from Citywide discounts that exceed industry benchmarks, including:

- At least 35% discount on on-premise software
- At least 40% discount on SaaS software

These discounts are materially stronger than typical transactional pricing available to individual departments operating independently. Maintaining a centralized Citywide agreement prevents fragmented departmental procurements at higher, unnegotiated rates. Should departments need to implement new Oracle systems or expand existing platforms over the next 31 months, preserving these discounts could result in millions of dollars in additional savings.

Together, the negotiated rate caps and sustained enterprise discounts provide meaningful financial protection against market volatility, preserve long-term purchasing leverage, and position the City to manage future Oracle investments in a fiscally responsible and strategically coordinated manner.

**Cybersecurity and Risk Mitigation:**

In addition, a citywide agreement with a single reseller for all Oracle products strengthens vendor oversight and reduces cybersecurity and contractual risk. The agreement ensures consistent terms across all departments pertaining to cyber-security, data protection, indemnification, and insurance coverage for all Oracle products purchased by all City departments.

For these reasons, DT recommends approval of the proposed extension and increase to the Citywide Enterprise Agreement with Mythics LLC for Oracle products.

Sincerely,

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4, 2026 | 10:58 AM PST  
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Michael Makstman

City CIO, Executive Director

Department of Technology