



AGENDA MEMORANDUM

Future Item for the City Council Meeting of April 30, 2013

Action Item for the City Council Meeting of May 14, 2013

DATE: April 30, 2013

TO: Ronald L. Olson, City Manager

FROM: Michael Barrera, Assistant Director of Financial Services
mikeb@cctexas.com
(361) 826-3169

Michael Armstrong, Director of Municipal Information Systems
michaelar@cctexas.com
(361) 826-3740

Purchase of Component Software for Enterprise Resource Planning System

CAPTION:

Motion approving a software license and maintenance agreement with PCI, LLC, Tampa, FL, for cash management software for \$117,810.00, of which \$117,810.00 is required for the remainder of FY 2012-2013; and ongoing maintenance. The initial term of the maintenance agreement is one year and will automatically renew annually thereafter upon payment of annual maintenance fees. Funds have been budgeted by the Municipal Information Systems Department in FY 2012-2013.

PURPOSE:

PCI, LLC's (PCI) cash management software is necessary to manage the City's requirements for processing payments it receives by check and credit/debit card.

BACKGROUND AND FINDINGS:

To provide the functionality in the Enterprise Resource Planning system necessary to manage payments the City receives by check and credit/debit card, Infor (US), Inc. has proposed PCI's cash management software. This software is an integral component of the recommended ERP System.

ALTERNATIVES:

Not applicable

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Municipal Information Systems Department

FINANCIAL IMPACT:

x Operating Revenue Capital Not applicable

| Fiscal Year: 2012-2013 | Project to Date Expenditures (CIP only) | Current Year | Future Years |
|-------------------------------|--|---------------------|---------------------|
| Line Item Budget | | \$3,000,000.00 | \$4,031,909.83 |
| Future Encumbrances | | \$0.00 | \$1,394,259.44 |
| This Item | | \$1,605,740.56 | \$5,426,169.27 |
| BALANCE | | \$1,394,259.44 | \$0.00 |

Fund(s): Municipal Information System Fund

Comments: "This Item" in the table above is comprised of current and future expenditures to which the City will be contractually obligated through FY2015-2016 and which are necessary to purchase the ERP System and its related component software from the four recommended vendors listed below, each of which is described in its own agenda item.

| | <u>Current Year</u> | <u>Future Years</u> | <u>Totals</u> |
|--------------------|----------------------------|----------------------------|-----------------------|
| Infor (US), Inc. | \$1,383,138.16 | \$5,288,776.87 | \$6,671,915.03 |
| Emphasys Software | \$36,500.00 | \$69,100.00 | \$105,600.00 |
| MHC Software, Inc. | \$68,292.40 | \$68,292.40 | \$136,584.80 |
| PCI, LLC | \$117,810.00 | \$0.00 | \$117,810.00 |
| | <u>\$1,605,740.56</u> | <u>\$5,426,169.27</u> | <u>\$7,031,909.83</u> |

The "Line Item Budget" amount in future years will be requested during the normal budget approval process in the applicable future fiscal years.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

License & Maintenance Agreement