



CITY OF MERCED

ADMINISTRATIVE REPORT

File #: 19-216**Meeting Date:** 7/1/2019

*Report Prepared by: Jamie Wright, IT Manager, Information Technology***SUBJECT: Approval of Agreement for Professional Services for a One Year Term with THOR, Inc. for AS/400 Programming Consulting Services in the Amount of \$178,000****REPORT IN BRIEF**

Authorizes the execution of a one-year professional services agreement with THOR, Inc. for \$178,000 for AS/400 programming consulting services to support Central Square (formally Sungard) application suite.

RECOMMENDATION

City Council - Adopt a motion approving professional services agreement with THOR, Inc.; and, authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve as recommended by Staff; or
2. Deny; or
3. Refer to Staff for further evaluation.

AUTHORITY

Charter of the City of Merced, Section 200

CITY COUNCIL PRIORITIES

As provided for in the 2019-20 Adopted Budget

DISCUSSION

The Information Technology Department had two staff members retire several years ago. These two employees supported the City's Central Square (formally SunGard) software suite. This software suite was developed in RPG, a technology created in the late 1960's which requires a very specific and unique skillset. The IT Department does not currently employ anyone who possesses these skills. All recruitment efforts have failed to produce applicants with these unique skills. As the professional community of people who support this antiquated technology is currently experiencing mass gentrification, it has become prudent to move away from this aging technology.

The Central Square software suite is a vital technology to the City for the past 30 years. The suite runs critical business operations, including GMBA, building permits, business licenses, utility billing, payroll, and more. Since the suite was first implemented in the City, the retired staff members

modified existing programs provided by Central Square to fit the business needs and workflows of the departments.

The City is currently in the procurement process via RFP for a replacement ERP system. Until the new system is implemented for all departments support for the AS/400 system will need to continue. The support will decrease in future years as we continue to replace Central Square modules and move to the new system.

Currently the City uses THOR, Inc. to support these custom modifications to the Central Square software suite. THOR, Inc. is a professional staffing agency, which specializes in this type of older technology. We have utilized a THOR employee that was formally a programmer for Central Square (formally SunGard) through the 1990's. This contract will allow the City to continue to utilize this person on a time-and-material basis of \$110/hour to support our modified Central Square software suite. We have used this contractor for three (3) years to support our systems and this contractor has proven to be professional, courteous, and responsive to our business needs.

IMPACT ON CITY RESOURCES

Funding is available within Fund 672 of the Proposed FY2019-20 budget.

ATTACHMENTS

1. THOR Master Services Agreement
2. THOR Services Agreement Consultant Attachment