



Legislation Details (With Text)

File #:	20-088	Version:	1	Name:	
Type:	Consent Item	Status:		Passed	
File created:	1/31/2020	In control:	City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency		
On agenda:	3/2/2020	Final action:	3/2/2020		

Title: SUBJECT: Waiver of the Competitive Bidding Requirement for Professional Services and Approval of a Three (3) Year Agreement for Professional Services with THOR, Inc. for AS/400 Programming Consulting Services and to Assist with Central Square Data Migration in the Amount not to Exceed \$534,000

REPORT IN BRIEF

Considers the approval of a three (3) year agreement for professional services with THOR, Inc. for AS/400 programming consulting services and to assist with central square data migration in the amount not to exceed \$534,000.

RECOMMENDATION

City Council - Adopt a motion waiving the competitive bidding requirement, approving the agreement with THOR, Inc., authorizing the City Manager or the Assistant City Manager to execute the necessary documents and authorizing the Finance Officer to make the necessary budget adjustments.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Thor Master Service Agreement.pdf, 2. Thor Services Agreement Consultant Attachment

Date	Ver.	Action By	Action	Result
3/2/2020	1	City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency	approved	Pass

Report Prepared by: Jeff Bennyhoff, Director of Information Technology

SUBJECT: Waiver of the Competitive Bidding Requirement for Professional Services and Approval of a Three (3) Year Agreement for Professional Services with THOR, Inc. for AS/400 Programming Consulting Services and to Assist with Central Square Data Migration in the Amount not to Exceed \$534,000

REPORT IN BRIEF

Considers the approval of a three (3) year agreement for professional services with THOR, Inc. for AS/400 programming consulting services and to assist with central square data migration in the amount not to exceed \$534,000.

RECOMMENDATION

City Council - Adopt a motion waiving the competitive bidding requirement, approving the agreement with THOR, Inc., authorizing the City Manager or the Assistant City Manager to execute the necessary documents and authorizing the Finance Officer to make the necessary budget adjustments.

ALTERNATIVES

1. Authorize agreement as recommended: or,
2. Refer to staff for further evaluation: or,
3. Deny.

AUTHORITY

Charter of the City of Merced, Section 200.

CITY COUNCIL PRIORITIES

As provided for in the 2019-20 Adopted Budget

DISCUSSION

Council has another staff report to consider before them to enter into a contract with Tyler Technology to license their ERP Software Suite. The five (5) year contract will replace our current Central Square ERP system that the city has utilized for the past 31 years. The project is anticipated to take four (4) years to complete. Part of the projected transition includes components to migrate data from the old Central Square ERP system to new Tyler Technology ERP system.

The City currently utilizes the vendor THOR Inc. for the support and maintenance of the Central Square system. The current contract with THOR Inc. is set to expire on June 30th, 2020. The proposed new contract with THOR Inc. for three (3) years between July 1st, 2020 and June 30th, 2023 is for the support, maintenance and assistance with the data migration of the Central Square system.

The length of the contract term is for three (3) years but the terms for the billing are on an as needed time and material basis for services. The City will only use the services as needed and will have no financial commitment beyond the hourly rate. This guarantee's a fixed price hourly rate over the term with no hourly rate increases while the transition to the new ERP system is under way.

The Information Technology Department anticipates the number of hours required for support and maintenance of the Central Square system will decrease as the City transitions to the new Tyler ERP system. Conversely, hours required to assist with the data migration from the old ERP system to the new ERP system will increase during the same period. The total number of hours per year is expected to remain consistent over the next three (3) year.

At the end of the three (3) year contract the department will re-evaluate the remaining business requirements left on the old ERP system and come back to council with a new contract for the remaining year left on the transition to the new ERP system.

IMPACT ON CITY RESOURCES

There is anticipated funding in the Information Technology budget in Fiscal Year 20/21, 21/22, and 22/23 to cover the cost of the professional services contract with THOR Inc. No new funding request would be required for this contract.

FY20/21 672-0404-512-1700	\$178,000
FY21/22 672-0404-512-1700	\$178,000
FY22/23 672-0404-512-1700	\$178,000

ATTACHMENTS

1. Thor Master Service Agreement
2. Thor Services Agreement Consultant Attachment