



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: IT Department

Meeting Date: December 18, 2023

Report #:2309-2074

TITLE

Approval of Amendment Number Two to Contract Number S17168145 with WONDERWARE INC., dba CORE BUSINESS TECHNOLOGIES, in the Amount of \$205,200 for an Upgrade to the Revenue Collections Cashiering Application and Extend Term for Three Additional Years; and Authorization of a Contract Contingency in an Amount Not-to-Exceed \$54,264 for Related, Additional but Unforeseen Work Which May Develop During the Project for a new Not-to-Exceed Contract Amount of \$596,913; CEQA Status - Not a Project

RECOMMENDATION

Staff recommends that the City Council:

1. Approve and authorize the City Manager or designee to execute Amendment Number Two to Contract S17168145 with WONDERWARE INC., dba CORE BUSINESS TECHNOLOGIES (Attachment A) to implement a hardware and software upgrade and extend the term for an additional three-years in an amount not to exceed \$205,200, and;
2. Approve a 10% contingency (\$54,264) for additional but unforeseen work which may develop during the project. This amendment results in a revised total contract not-to-exceed amount of \$596,913.

BACKGROUND

The City currently has aging cashiering hardware at three key physical locations to process payments for the Airport, Utilities and for parking permits. Updated hardware is needed to ensure compatibility with modern operating systems and bolster cybersecurity measures, thereby safeguarding sensitive data, and ensuring the privacy of our customers.

ANALYSIS

Existing hardware is obsolete and no longer supported. In Revenue Collections, one payment terminal has already failed, which only leaves one functional terminal to process payments. Airport has issues with out-of-date receipt printer hardware. As replacement hardware is unavailable, an upgrade is required to replace the failed and aging terminals and printers with up-to-date terminals and printers.

A Request for Proposal (RFP) for a citywide cashiering system was issued in 2014; CORE was the selected vendor. The contract was renegotiated in 2017 and amended in 2022 for licensing, maintenance, support, and enhancements. An additional three-year term will enable staff to evaluate current functional requirements and issue an RFP to either replace the existing cashiering system or continue with the current system. The work ahead is expected to require one year from gathering requirements, issuing the RFP, vendor selection and contracting, then another year for implementation, training and troubleshooting if a new system is chosen. There is a possibility of running the new system (if a new system is selected) and CORE in parallel to make sure that the new system is running correctly. CORE is integrated into SAP as well. Changes to SAP will need to be documented, worked on, scheduled, and implemented.

An exemption to competitive solicitation pursuant to Palo Alto Municipal Code section 2.30.360(b)(2) (substantial interference to a required city operation) was approved by the City Manager.

FISCAL/RESOURCE IMPACT

The FY 2024 Adopted Budget in the Information Technology Fund includes sufficient funding to absorb the upgrade cost for this fiscal year (\$36,105) and no additional funding is required as part of this report. Funding for subsequent years of the contract will be included in the development of the annual budget, subject to City Council.

The Information Technology Department is funded by an internal service fund. Approximately 40% of the department is General Fund funded with the remaining 60% funded by enterprise and special revenue funds.

STAKEHOLDER ENGAGEMENT

The services were coordinated with internal stakeholders and the service provider.

ENVIRONMENTAL REVIEW

Council action on this item is not a project as defined by CEQA because approval of this contract amendment is a continuing maintenance activity under CEQA Guidelines section 15378(b)(2).

ATTACHMENTS

Attachment A: Contract with CORE Business; Contract #S17168145, Amendment 2

APPROVED BY:

Darren Numoto, Chief Information Officer