

Mayor and Council Communication

DATE: 09/17/24

M&C FILE NUMBER: M&C 24-0802

LOG NAME: 04IMMIXTECHNOLOGY PUBLIC SAFETY PAYROLL SOLUTION SOFTWARE

SUBJECT

(ALL) Authorize an Amendment to City Secretary Contract No. 52679 with immixTechnology Inc. to Authorize an Increase to the Annual Contract Amount for Professional Services, Software, and Maintenance for the Public Safety Payroll Solution Project by \$293,749.00 with a 10% Contingency Starting in Fiscal Year 2025, for an Annual Total Not to Exceed \$1,043,749.00 for the Information Technology Solutions Department

RECOMMENDATION:

It is recommended that the City Council authorize an amendment to City Secretary Contract No. 52679 with immixTechnology Inc. using Cooperative Contract Texas Department of Information Resources DIR-TSO-4315 for the Information Technology Solutions Department, this amendment will authorize an increase to the annual contract amount for professional services, software, and maintenance for the Public Safety Payroll Solution project by \$293,749.00 with a 10% contingency starting in Fiscal Year 2025, for an annual total not to exceed \$1,043,749.00 for Fiscal Year 2025 for the Information Technology Solutions Department.

DISCUSSION:

This Mayor and Council Communication (M&C) requests authorization to execute a contract amendment to City Secretary Contract (CSC) 52679, a purchase agreement with immixTechnology Inc., using Cooperative Contract Texas Department of Information Resources (DIR) DIR-TSO-4315. The purpose of this amendment is to add an increase in the authorization amount for software, maintenance, and the associated professional services in an amount of \$293,749.00 with a 10% contingency starting in Fiscal Year 2025. The annual contract amount will not to exceed \$1,043,749.00. This authorization ensures continued service of the technology licenses while the Public Safety Payroll Solution project continues.

BACKGROUND:

On June 11, 2019, City Council approved M&C P-12339 authorizing a purchase agreement with immixTechnology Inc. for Kronos Workforce TeleStaff software, professional services, support, and maintenance using Cooperative Agreement Texas Department of Information Resources DIR-TSO-4315 for a first-year amount of \$462,120.19 and four renewal options for maintenance for \$60,540.00 each year. CSC 52679 was executed August 19, 2019.

On September 28, 2021, City Council approved M&C 21-0732, authorizing a third amendment to CSC 52679. The purpose of the third amendment was to purchase and implement UKG Workforce Dimensions software and to consolidate UKG Telestaff Enterprise software for the City's Police and Fire Departments in the amount of \$740,326.40 for implementation. Licensing and maintenance costs were authorized for \$490,284.60 annually, including two additional renewal terms for the same annual amount. M&C 21-0732 approved the technology elements of the proposed public safety payroll solution.

In February 2023, the Information Technology Solutions Department (IT Solutions) identified billing errors associated with immixTechnology, Inc.'s invoices to the City. IT Solutions worked with the vendor to resolve the identified billing issues and the parties mutually agreed to place any amounts owed under the terms of the contract on hold (\$450,000.00). The City and Vendor have since resolved the outstanding billing issues. However, concurrent with the investigation, CSC No. 52679 expired. With the contract expired, the City is unable to release funds for the amount in arrears. This M&C requests authorization to execute a contract amendment to CSC 52679 to renew the agreement for an additional one-year term so that the City may pay the \$450,000.00 mutually placed on hold. Simultaneously, IT Solutions requests authorization to increase the contract amount by \$200,000.00 annually for professional services to support the ongoing public safety payroll solution. The total cost of the contract, including the UKG Workforce Dimensions and UKG Telestaff Enterprise software licenses (\$450,000.00 in arrears) and professional services (\$198,000.00), will not exceed \$650,000.00 for Fiscal Year 2024. The one-year renewal term may increase by 3% for the following year.

On February 27, 2024, City Council approved M&C 24-0137 authorizing a contract amendment to CSC 52679, to renew the contract for an additional one-year term and include an option for one additional one-year renewal term. The amendment will also increase the authorization amount for the associated professional services in an annual amount up to \$200,000.00, for a total annual contract amount of \$650,000.00. The total cost of the contract, including the UKG Workforce Dimensions and UKG Telestaff Enterprise software licenses (\$450,000.00 in arrears) and professional services (\$198,000.00), not to exceed \$650,000.00 for Fiscal Year 2024. The one-year renewal term may increase by 3% for the following year.

On July 1, 2024, the City executed Amendment No. 07 for CSC 52679 to apply an administrative increase in an amount not to exceed \$100,000.00, for a new total annual contract amount of \$750,000.00.

COOPERATIVE PURCHASE: State law provides that a local government purchasing an item under a cooperative purchase agreement satisfies State laws requiring that the local government seek competitive bids for the purchase of the item. Cooperative contracts have been competitively bid to increase and simplify the purchasing power of local government entities across the State of Texas.

SUCCESSOR CONTRACTS: In the event the DIR agreement is not renewed, staff would cease purchasing at the end of the last purchase

agreement coinciding with a valid cooperative agreement. If the City Council were to not appropriate funds for a future year, staff would stop making purchases when the last appropriation expires, regardless of whether the then-current purchase agreement has expired.

The City will initially use DIR contract DIR-TSO-4315 to make purchases authorized by this M&C. The DIR-TSO-4315 Cooperative Contract is set to expire February 28, 2025. If DIR-TSO-4315 is extended, this M&C authorizes the City to purchase similar equipment and services under the extended contract. If DIR-TSO-4315 is not extended but DIR executes a new cooperative contract with immixTechnology Inc. and with substantially similar terms, this M&C authorizes the City to purchase the equipment and services under the new DIR contract.

BUSINESS EQUITY: A business equity goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

ADMINISTRATIVE CHANGE ORDER: An administrative change or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

AGREEMENT TERM: Upon City Council's approval, the initial term of the agreement will become effective once executed by the Deputy City Manager and will expire on February 28, 2025, in accordance with the DIR contract. The Agreement may be renewed in accordance with the extended DIR-TSO-4315 cooperative agreement or its successor.

RENEWAL OPTIONS: This agreement may be renewed for one one-year term, in accordance with the underlying DIR or its successor, at the City's option. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term. The one-year renewal term may increase by 3% for the following year.

Funding is budgeted in the ITS Capital Fund for the Information Technology Solutions Department for the purpose of funding FY21 Public Safety Payroll Solution project.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the ITS Capital Fund for the FY21 Public Safety Payroll Sol project to support the approval of the above recommendation and execution of the amendment. Prior to any expenditure being incurred, the Information Technology Solutions Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Mark McDaniel

Originating Business Unit Head: Kevin Gunn 2015

Additional Information Contact: Mark DeBoer 8598