



Legislation Text

File #: 18-363, **Version:** 1

TO: Mayor and Commissioners
FROM: Mickey Baker, IT Director
THROUGH: Mark R. Lauzier, City Manager
DATE: July 10, 2018

APPROVAL OF RESOLUTION NO. 16-18 TO AWARD A THREE (3) YEAR AGREEMENT WITH TWO ONE YEAR EXTENSION WITH SELECTRON TECHNOLOGIES INC. FOR THE PROCUREMENT OF BUILDING DEPARTMENT PERMIT AND UTILITY BILLING MANAGED SERVICES IN THE SELECTRON CLOUD ENVIRONMENT FOR BILLING AND INSPECTIONS IN AN AMOUNT NOT-TO-EXCEED \$390,000

Recommended Action:

Motion to approve Resolution No. 16-18 to award a three (3) year with two one year extension agreement with Selectron Technologies Inc. (Selectron) for the procurement of Building Department Permit and Utility Billing Managed Services in the Selectron Cloud Environment for billing and inspections in an amount not-to-exceed \$390,000.

Background:

Selectron Technologies, Inc. (Selectron) supplies and supports software and hardware utilized to accept the City of Delray Beach's (City) customers' payments for utility bills and building permit fees using checks and credit cards via the City's interactive voice response and web-based portals. Selectron was awarded by the City an agreement in 2004 for this payment solution, and the City has used them exclusively for the related products and services since then. They have been deemed the City standard solution for utility billing and building permit payments, as they are the sole provider of Selectron products and services. The original agreement is attached for reference.

The City has been utilizing on-premise stand-alone servers for both web-portal and Interactive Voice Response (IVR) utility payments and inspection requests, which enables the City to accept payments over the phone or online. The Selectron servers installed in the City are at end of life and need to be migrated to a Managed Service environment, which shifts the responsibility of managing certain related services from the City to a third party. Staff proposes to upgrade the Utility Billing and Permit program (Program) to a hosted solution with Selectron, meaning they will use their own off-premise servers to host the City's Program. The migration to a hosted environment and upgrade to Selectron will occur under an annual maintenance contract and will include additional functionality to better support our contractor community with text (TXT) message interaction for permits and inspections. The agreement with Selectron is for an initial three-year term with automatic renewals thereafter. The City may elect not to renew at least 90 days before the end of the then-current agreement term.

The move to the Managed Services environment will allow the City to maintain a fully functioning Utility Billing and Permit interface and retire the on-premise Selectron servers. The Managed Services environment is fully Payment Card Industry (PCI) compliant and will serve as a hot site for

disaster recovery with 99.9% availability. A hot site allows the City to continue computer and network operations when a computer or equipment disaster happens.

Utility Billing currently bills out more than \$3,000,000 per month in Utility Services through this system. Any down time to this application could be catastrophic.

Attachments:

1. Resolution No 16-18
2. Master Services and Hosting Agreement
3. Legal Review Checklist
4. City Standard Justification Memo
5. 2004 Selectron Support and Maintenance Agreement
6. 2005 Selectron Letter of Understanding

Financial Impact:

The setup fees include the IVR and Web upgrade for Permits & Utilities, the Host Conversion fee for Accela permits and SelecTXT for \$67,500.

Annual maintenance for 5 years:

Year 1	\$60,000
Year 2	\$61,700
Year 3	\$63,485
Year 4	\$65,355 (optional renewal)
Year 5	\$67,320 (optional renewal)

Total Investment \$385,360

Staff requests approval of a contingency amount of \$4,640 to account for minor changes and variations to the scope of services. Therefore, staff requests approval of an agreement value not-to-exceed \$390,000 for five years.

This motion is in accordance with City Code of Ordinances Section 36.02, Commission Approval Required and Purchasing Policies; Limited or No Competition Acquisitions.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source:

001-16-000-516.46-40 Repair and Maintenance Other Repair Maintenance