



## Request for City Council Committee Action from the Information Technology Department

Date 10/15/12

To: The Honorable Betsy Hodges, Chair, Ways and Means Committee

Subject: Amend Contract C98-12701 with N. Harris (doing business as Systems & Software, Inc) for upgrade of utility billing system

Recommendation: Authorize proper City officials to:

- a) extend contract C98-12701 with N. Harris to December 31, 2018 and
- b) increase the amount of the contract by \$2,250,000 to cover the support for years 2016, 2017, and 2018 and the upgrade costs.

Prepared by Robert Arko, Contract Administrator, 673-3984

Submitted by Otto Doll \_\_\_\_\_, 673-3633  
Chief Information Officer

Approved by Paul Aasen \_\_\_\_\_  
City Coordinator

Presenter in Committee Otto Doll

Policy Review Group   X   Not Applicable

Permanent Review Committee (PRC)   X   Approved Contract Extension 9/13/12

### Prior Related Directives:

- July 2, 2004 approval for Utility Billing software upgrade and purchase of Stormwater Billing software and authorized the Finance Department to amend Contract C98-12701 with Systems & Software Inc. to extend the contract for the life of the software.
- October 5, 2007 approval to amend contract C98-12701 to upgrade the software.
- February 25, 2011 approval to amend current contract C98-12701 with N. Harris dba Systems & Software, Inc. to cover maintenance and support of the enQuesta software through 2015.

**Financial Impact:** None.

**Financial Impact** (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to department's finance contact prior to the Committee Coordinator

**Background/Supporting Information**

The City of Minneapolis has used System & Software, Inc. (now N. Harris) as our software vendor for the utility billing system since 1998. The most recent amendment to the contract was approved in February 2011 to increase contract C98-12701 by \$1,875,000 to cover maintenance and support of the enQuesta software for five years (2011 to 2015). Currently, the total amount of the contract is \$8,994,480.99.

The City is currently paying for maintenance and support of the enQuesta system, entitling us to receive the latest version of the software. The product's lifecycle shows that it is time to upgrade enQuesta to the next version. To do so, we're relying upon the expertise of the software vendor to implement the next version and provide a smooth transition to it. The cost of the implementation is estimated not to exceed \$650,000.

In addition to amending the contract to upgrade to the next version, IT and Finance would like to extend contract C98-12701 with N. Harris to December 31, 2018 for maintenance and support of the enQuesta utility billing system. This date better aligns with the product's lifecycle. The total cost for maintenance and support for years 2016, 2017, and 2018 is estimated to be \$1,600,000. Taking into account the cost of both the upgrade and software maintenance for an additional three years places the total increase to the contract at \$2,250,000.

The Finance Department has approved the costs and services for the contract extension and the funding is covered within the Finance Department's budget.