



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

---

File #: 19-1071, Version: 1

---

### **REPORT TO COUNCIL**

#### **SUBJECT**

Award a Contract to Can/Am Technologies, Inc. for Software Licensing and Implementation Services for the Teller Point-of-Sale System (F20-065)

#### **REPORT IN BRIEF**

Approval is requested to award a Contract to Can/Am Technologies, Inc. (CanAm) of Lakewood, CO for base implementation services in the amount of \$90,250, optional implementation services and hardware in the amount of \$25,580, and a 10-year agreement for Software-as-a-Service (SaaS) cloud licensing for the Teller Point-of-Sale System license in the amount of \$467,693, for a total contract amount of \$583,523. Approval is also requested for 10% contract contingency on the base implementation services and optional services and hardware purchase in the amount of \$11,583.

#### **EXISTING POLICY**

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

Further, Section 2.08.070(b)(3) authorizes the purchase of goods and/or services to be exempted from the competitive bidding requirements when the solicitation of bids or proposals would be impractical, unavailing or impossible.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environmental.

#### **BACKGROUND AND DISCUSSION**

On August 27, 2019, Council awarded a contract to Sierra-Cedar, Inc. (Sierra-Cedar) for implementation of the Oracle Fusion Cloud Enterprise Resource Planning (ERP) System (RTC No.19-0850). The CanAm Teller system was included as a 3rd party product in Sierra-Cedar's implementation proposal. During the negotiation process with Sierra-Cedar, staff engaged with CanAm to conduct an on-site demonstration and later in contract negotiations.

#### **Implementation Approach**

The Teller implementation timeline has been aligned with the Oracle ERP implementation. Below are the expected phases for the project, which is further detailed in the Statement of Work (Attachment 2):

- Phase 1: Rollout of the Teller system to one location (Department of Finance Front Counter) with integrations to the City's bank for electronic check deposit and the Performance Series financial system. Expected rollout date: February 2020.
- Phase 2: Rollout of the Teller system to additional locations in the City with integrations to Oracle Accounts Receivable and the City's Utility Billing and Business Licensing systems. Expected rollout date: September 2020.

The expected roll-out go-live dates for Phase 1 and Phase 2 are scheduled to align with ERP Rollout 1. Staff requests a phased approach to take advantage of an electronic cashiering system in advance of ERP go-live. The implementation and 10-year SaaS agreement (Attachment 1) for the Teller system aligns with the initial investment in the ERP and was selected based on its demonstrated experience implementing with the Oracle Fusion solution and CanAm's previous experience implementing this product with local government.

### **FISCAL IMPACT**

The one-time implementation, optional services and equipment, the 10% contract contingency, and the first year of licensing costs are \$168,353 and funding is available in Project 830521 - ERP System Acquisition, Implementation and Support. This project is funded by the General Services Fund.

The remaining nine-years of the licensing costs in the amount of \$426,753, which include an annual cost at year 2 and 3 of \$43,140 with a capped 3% escalation over the remaining 7 years, will be included in the FY 2020/21 Recommended Budget.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **RECOMMENDATION**

Take the following actions:

- Award a Software-as-a-Service (SaaS) Agreement in substantially the same form as Attachment 1 of the report in the amount of \$583,523 (\$90,250 in implementation services, optional implementation services including hardware in the amount of \$25,580 and \$467,693 for a 10-year Teller license agreement) to Can/Am Technologies, Inc. for implementation services and SaaS cloud licensing of the Teller Point-of-Sale System
- Authorize the City Manager to execute the SaaS Agreement when all conditions have been met
- Approve a 10% contingency in the amount of \$11,583

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Kathleen Boutté Foster, Chief Information Officer

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

**ATTACHMENTS**

1. SaaS Agreement
2. Statement of Work