File #: RS-17-080, **Version:** 1

Consider a memorandum/resolution to renew the annual maintenance agreement with Superion formerly Sungard Public Sector.

DATE: **August 15, 2017**

TO: **Ronald L. Olson, City Manager**

FROM: **Thomas A. Moore, Director of Information Technology Services**

SUBJECT: **Superion Annual Maintenance Renewal**

BACKGROUND AND FINDINGS:

Superion (formally SunGard Public Sector) was purchased in 1998 for $1.2 million, and, over the past 19 years, the City has added additional modules at a cost over $400,000, bringing the total enterprise software investment to $1.6 million. Superion provides the City with an integrated suite of software products including support for Financial, Human Resources, Utility Billing, Building Permits, and Code Enforcement. The maintenance renewal cost covers technical support calls, ongoing education, improvements to infrastructure, and product enhancements.

THE ALTERNATIVES CONSIDERED:

Which alternative is recommended? Why?

Superion Public Sector is the product of choice for enterprise applications, and alternatives were not considered because of the cost to change software providers. The city is satisfied with the current software vendor and does not feel a switch to another vendor is fiscally responsible at this time. Changing to another software vendor would cost the city significant capital, both in direct costs to purchase new software and indirect costs for project implementation and data conversion of existing files.

CONFORMITY TO CITY POLICY:

According to the City of Killeen's Purchasing Manual, Appendix G, a sole source procurement is authorized for an item or service that is available from only one vendor. Superion Public Sector software, maintenance, and support are available only from the manufacturer, Superion Public Sector. Supporting documentation is included for review.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year?

The FY17 cost for Superion Public Sector software licensing, maintenance, and customer support totals $121,842.71. The cost is allocated across the following funds:

Fund	Account	Cost Share
General Fund	010-2705-419-42-43	$49,955.51
Hotel & Motel Fund	214-2705-419-42-43	$4,873.71
Aviation Fund	525-2705-419-42-43	$7,310.56
Solid Waste Fund	540-2705-419-42-43	$9,747.42
Water and Sewer Fund	550-2705-419-42-43	$40,208.09
Drainage Utility Fund	575-2705-419-42-43	$9,747.42
	TOTAL	**$121,842.71**

For future years?
Each year there is an internal review of the applications, modules, and support necessary for the City of Killeen to maintain services, both internal for employees and external for citizens. When underutilized modules are identified, they are removed and the annual maintenance cost decreases accordingly.   When the need for additional support services is identified, new modules are added; if so, the annual maintenance cost increases accordingly. If the modules and level of support remain unchanged for FY 18, the cost is projected to increase by 5%, the industry standard for software support agreements. The FY18 cost is estimated to be $127,934.85.

Is this a one-time or recurring expenditure?

The Superion Public Sector software maintenance and support agreement is a recurring expense on an annual renewal.

Is this expenditure budgeted?

The Superion Public Sector software maintenance and support agreement is budgeted in the IT Services budgets each fiscal year, including with the industry standard 5% cost increases.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes

RECOMMENDATION:

City staff recommends the City Council approve this request and allow the City Manager to execute the renewal of the FY17 annual maintenance agreement with Superion Public Sector in the amount of $121,842.71.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS

Invoice
Sole Source Packet
Certificate of Interested Parties