Agenda Report

April 8, 2019

TO: Honorable Mayor and City Council

FROM: Department of Information Technology

SUBJECT: **AUTHORIZE INCREASE TO PURCHASE ORDER CONTRACT 1191249 WITH INTELLITIME SYSTEMS CORPORATION BY $185,000 FOR A TOTAL NOT-TO-EXCEED OF $617,725 FOR ADDITIONAL PROFESSIONAL SERVICES RELATED TO CONFIGURATION OF THE VIRTUAL TIMECARD INTERFACE (VTI) SYSTEM**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed contract is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3); and

2. Authorize the City Manager to increase purchase order contract 1191249, with Intellitime Systems Corporation by $185,000, thereby increasing the total not-to-exceed amount from $432,725 to $617,725; and

3. To the extent this could be considered a separate procurement subject to the Competitive Selection Process, it is recommended that the City Council grant the contract an exemption pursuant to Pasadena Municipal Code (PMC) Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND:

Through a formal competitive selection process, Intellitime Systems Corporation was awarded a contract in 2005 for the implementation of a Virtual Timecard Interface (VTI), web-based time management system. The VTI system replaced paper-based timecards and manual data entry with an online time record that interfaces with ePersonality, the City's current automated payroll application. Today, VTI is used by almost 1,500 non-safety employees to collect time and cost accounting information that is processed and then uploaded into the financial system. Safety employees in the Police Department still use paper timecards, while safety personnel in the Fire Department use a different web-based time management system, TeleStaff, which is also used for shift staffing.

On March 13, 2017, City Council authorized the City Manager to enter into a new contract with Intellitime Systems to integrate the system with the Tyler Munis Enterprise Resources Planning (ERP) system. Launch of the Phase 2 Human Resources and Payroll modules of the ERP system is dependent on the completion of the Intellitime System (VTI) configuration. The scope of work in the contract included:

1) Incorporate all of the City's timekeeping rules (based on current Memorandum of Understanding (MOUs), inclusive of Police and Fire Department rules);
2) Transition labor cost accounting structure to the new Tyler Munis structure (currently VTI still hosts the old accounting structure from the prior financial system);
3) Expand VTI's capability to include Police Department personnel, and the ability to upload TeleStaff time data for Fire Department personnel; and
4) Streamline reporting and provide two-way interface capabilities with the Tyler Munis Human Resources and Payroll module.

Intellitime completed the scope of the work as originally designed.

At this point in time, nearly all the configurations are complete and validation of the two parallel citywide tests of the timekeeping system that occurred in November 2018 is currently in progress. However, with all the complex payroll intricacies and follow up required by staff and the vendor on items uncovered during the validation process, the authorized purchase order contract will be exhausted before this process is completed. In light of this, the anticipated Phase 2 go-live date will need to be shifted from April 2019 to September 2019. Staff estimates that an additional $185,000 for time and materials will be needed to ensure validation of the citywide parallel tests is completed successfully, incorporates the latest employee labor agreements that were recently approved by City Council, and to ensure additional capacity exists for any unanticipated changes moving forward.

City Council last authorized an increase to purchase order contract, 1191249, for a total not to exceed amount of $432,725 on December 10, 2018. Staff recommends an increase to this purchase order by $185,000 for a new not to exceed amount of $617,725 in order to complete the remaining activities enumerated above.

The Intellitime Systems Corporation is the sole vendor authorized to make configuration changes to its software and therefore it is recommended that the City Council grant the contract an exemption pursuant to Pasadena Municipal Code (PMC) Section 4.08.049(B), contracts for which the City's best interests are served.

COUNCIL POLICY CONSIDERATION:

The proposed action supports the City Council's three year goal to improve, maintain and enhance public facilities infrastructure; to provide a high quality of public service, which adds to the quality of life in the City and increases its attractiveness through more efficient management of resources.
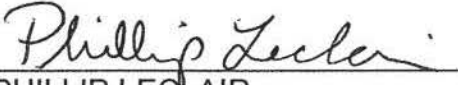
ENVIRONMENTAL ANALYSIS:

This contract is exempt from CEQA per section 15061(b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action will not result in any new development or physical changes.
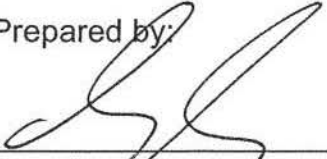
FISCAL IMPACT:

This action will increase Purchase Order 1191249 with IntelliTime Systems Corporation by $185,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in Capital Improvement Program project #71149 - Enterprise Resource Planning System. It is anticipated that half of the amount will be spent during the current fiscal year and the remainder in FY2020. There are no indirect or support costs anticipated as a result of this contract.

Respectfully submitted,

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