



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

25

2. Council Meeting Date:
July 26, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: June 18, 2012

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Amendment No. 5 of Agreement #MR0-7030-1640 with Hansen Information Technologies for the purchase of software maintenance, for a one year extension in an amount not to exceed \$88,206.

6. RECOMMENDATION: Extend Agreement #MR0-7030-1640 one year, for the purchase of software maintenance, with Hansen Information Technologies in an amount not to exceed \$88,206.

7. HISTORICAL BACKGROUND/DISCUSSION: This maintenance and support covers the City of Chandler's Utility Billing software. Hansen maintenance and support provides technical support issues, software fixes, and system and application upgrades necessary to operate and keep the system current. Maintenance is renewed on an annual basis. This software is vital to the City's revenue collections and must be kept fully maintained and supported.

8. EVALUATION PROCESS: In 2001, Council approved the award of a Utility Billing System to Hansen Technologies. Because the Utility Billing System software is proprietary to Hansen, they are the only source that can provide this maintenance. The original agreement allows for annual renewals of the maintenance. The vendor has typically increased the maintenance cost by 5% annually, however, this year the increase is approximately 2%.

9. FINANCIAL IMPLICATIONS: Funds for this purchase are available in General Fund, Utility Services, Other Equipment R & M, 101.1245.5419.

10. PROPOSED MOTION: Move to approve Amendment No. 5 of Agreement #MR0-7030-1640 with Hansen Information Technologies for the purchase of software maintenance in an amount not to exceed \$88,206.

APPROVALS

11. Requesting Departments

Jim Crocker, Utility Services Business Manager

12. Department Head

Dawn Lang, Management Services Director

13. Procurement Officer

Carolee Stees, CPPB

14. City Manager

Rich Dlugas

AMENDMENT NUMBER FIVE
TO MEMORANDUM OF AGREEMENT UTILITY BILLING SOFTWARE
SYSTEM, REQUEST FOR PROPOSAL #MR0-7030-1640
BETWEEN THE CITY OF CHANDLER AND
HANSEN INFORMATION TECHNOLOGIES
FOR UTILITY BILLING SYSTEM SOFTWARE MAINTENANCE

This Amendment #5 to that certain Agreement between the City of Chandler (CITY) and HANSEN INFORMATION TECHNOLOGIES (HANSEN) for utility billing system software maintenance dated March 6, 2001 and is entered into this _____ day of July, 2012.

NÓW THEREFORE, the parties agree Section II is hereby amended as follows:

1. Annual maintenance cost shall be \$88,206.
2. Extend the term for the period August 1, 2012 through July 31, 2013.
3. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 17th day of July, 2012.

CITY OF CHANDLER:

By: _____
Mayor

Hansen Information Technologies:

By: Susan Crally
Title: Director, Contract Mgmt.

APPROVED AS TO FORM:

City Attorney

ATTEST: (If corporation)

Bud Ste
Secretary

ATTEST:

City Clerk

WITNESS: (If individual or Partnership)

[SEAL]