

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor’s Legislative Team

at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. Contact the Mayor’s Legislative team with questions

Date of Request: 6/8/2020

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
- Dedication/Vacation Appropriation/Supplemental DRMC Change
- Other:

2. Title: (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Amends a contract with Tyler Technologies, Inc. by adding \$4,327,250 for a new total of \$14,327,250 and five years for a new end date of 5/21/2025 for continual use and support of the iasWorld Tax Administration software supporting the Department of Finance; citywide (TECHS-202054540)

3. Requesting Agency: Technology Services

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Steve Ellington	Name: Joe Saporito
Email: steve.ellington@denvergov.org	Email: joseph.saporito@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

The Department of Finance partnered with Technology Services to purchase the Tyler Technologies iasWorld Software as a Service (SaaS) application in 2015 for the purpose of administering the property tax process for the City and County of Denver including:

- Listing of properties
- Valuation of properties
- Taxation
- Collection

This application is primarily used by the Department of Finance (Assessment and Treasury) and secondarily used by other City Agencies (Wastewater, Community Planning and Development, Department of Economic Development, Denver Fire Department, etc.). The functionality of this system will continue to be needed by these departments requiring an extension of the contract to continue the use and support of the application.

The City collects approximately \$1.6 billion through this system on an annual basis so it is vital that the City has continual access and use of this system and that it continues to be supported by the vendor. The City, through this application, is also able to distribute a portion of the taxes collected to Denver Public Schools.

This amendment allows for continual use and support of the iasWorld application for another five-year term.

Term exceeding more than 3 - 5 years per Executive Order 8.

Per Executive Order 8: "Agencies should limit the duration of contracts to three to five years at which time a new solicitation should be initiated absent special circumstances." For most software applications, they cannot be simply unplugged and replaced with a new application; therefore, there will be several special circumstances that would provide for a justification to deviate from this policy. For

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this request, the information below provides examples of special circumstances directly related to the Tyler Technologies contract amendment request.

The special circumstances that justify a contract term that exceeds three to five years are listed below:

- Situations where standardization of equipment or continuity of service is required;
- Situations where competition does not exist;
- Situations where economic factors make it unfavorable for the City to re-bid a contract.

Continuity of Service:

The iasWorld application has been customized for the City, it integrates with multiple City applications (Accela, WasteWater billing, Denver Address Database, Clerk and Recorder County Fusion, etc.) and has been configured specifically for the City of Denver to align with City processes. Multiple City Agencies use the application and over 100 City employees have been trained and are efficient with it so the continual use of this application will allow these Agencies to provide continuity in its internal business functions as well external services.

Competition does not exist:

As the City has already purchased, implemented, has been trained on and intends on using the iasWorld software application for the foreseeable future, continual support from Tyler Technologies is needed to ensure the application is functioning at its maximum performance. This is a service that should come from Tyler Technologies so an opportunity for competition does not necessarily exist.

Economic factors make it unfavorable for the City to re-bid a contract:

The cost to fully implement this software application was over \$3,500,000. The City would incur these costs every time a new system is implemented. This is a substantial investment by the City and it would result in an unnecessary negative financial impact on the citizens of Denver if this type of system was replaced every three to five years. The City and Tyler Technologies underwent a very time-consuming process which included multiple phases from the time of purchase to having a fully implemented system. These include conducting an RFP process, Technology Services review of vendor's security protocols as well as technical architecture to ensure they align with Technology Services' requirements, negotiating a Statement of Work, negotiating a contract, analysis of the City's current state, planning for the new system, designing the new system to meet the City's objectives, implementing the new system, configuring (fine tuning) the new system, testing the new system and training employees on the new system. This was a multi-year process. For the City to re-bid this every three to five years would mean the opportunity for any type of return on our investment would be minimalized and the City would be in a perpetual cycle of bidding, implementing, retraining and decommissioning of previous applications.

Amending post contract expiration date

The process to amend this contract was initiated in January of this year in an effort to have the amendment completed prior to the expiration date. There were several issues that needed to be clarified during this process that delayed the amendment. These issues have been resolved to both the City's and Tyler Technologies' satisfaction but unfortunately were not resolved in a timely manner in which the amendment could be in place prior to the expiration date.

- 6. **City Attorney assigned to this request (if applicable):** Steve Hahn
- 7. **City Council District:** N/A - Citywide
- 8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property):

Standard Expenditure contract exceeding \$500,000

Vendor/Contractor Name: Tyler Technologies, Inc.

Contract control number: TECHS-202054540

Location: Citywide

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many? Second**

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- Original contract: 5/21/2015 - 5/21/2020; Contract Amount: \$10,000,000
 - Signed by Mayor: 5/21/2015
- First Amendment: No change in term; No change in contract amount
 - Signed by Mayor: 3/31/2016
 - Amended Statement of Work and legal terms

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

Current term: 5/21/2015 - 5/21/2020 Proposed term: 5/21/2015 - 5/21/2025 Duration: 10 years

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$10,000,000	\$4,327,250	\$14,327,250

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
5/21/2015 - 5/21/2020	5 Years	5/21/2025

Scope of work:

Vendor will provide continual support and maintenance of the iasWorld software application

Was this contractor selected by competitive process? Yes

If not, why not?

Has this contractor provided these services to the City before? Yes (via this contract) No

Source of funds: Technology Services Operational Funds

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? N/A

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