Legislation Details (With Text)

File #:	BILL NO. 21-157	**Name:**	
Type:	Ordinance	**Status:**	Agenda Ready
File created:	7/22/2021	**In control:**	City Council - Regular Session
On agenda:	8/3/2021	**Final action:**	8/3/2021
Title:	An Ordinance approving the software support agreement for the Lawson Enterprise Resource Planning System between the City of Lee's Summit and Infor (US), LLC in the amount of $575,106.35 and authorizing the City Manager to execute the same by and on behalf of the City.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Ordinance, 2. Exhibit A, 3. Original Contract, 4. 2012 Order Form, 5. 2018 Addendum to Order Form		

Date	Ver.	Action By	Action	Result
8/3/2021	1	City Council - Regular Session	for second reading	Pass
8/3/2021	1	City Council - Regular Session	adopted and numbered	Pass
8/2/2021	1	Finance and Budget Committee	recommended for approval	Pass

An Ordinance approving the software support agreement for the Lawson Enterprise Resource Planning System between the City of Lee's Summit and Infor (US), LLC in the amount of $575,106.35 and authorizing the City Manager to execute the same by and on behalf of the City.

Issue/Request:
Staff is seeking approval of a new agreement with Infor to software maintenance up to date. The City's current agreement ends in July. Any gaps in maintenance may require back payment of unpaid maintenance.

Key Issues:
The City currently utilizes the Lawson Enterprise Resource Planning system for Finance, Procurement, Human Resources, Payroll, and Budgeting services. This software system was installed in 2011-2012 with associated software maintenance. The vendor, Infor, continues to upgrade the system to provide additional features, improvement, and product fixes.

Pursuant to the proposed agreement, City staff negotiated a reduction in the annual escalation percentage with Infor. In year one of the agreement, there is no increase over current costs, and in years two and three, the annual increase is capped at 2%. The contract terms also includes a stipulation that the agreement is subject to an annual appropriation by the City Council.

The multi-year contract will save the City approximately $10,000 over the rates in the previous agreement.

The total will be paid over three years, with annual payments as outlined below:
2021: $187,918.69

2022: $191,677.06
2023: $195,510.60

Proposed Committee Motion:
I move to recommend to City Council for approval an Ordinance approving the software support agreement for the Lawson Enterprise Resource Planning System between the City of Lee's Summit and Infor (US), LLC in the amount of $575,106.35 and authorizing the City Manager to execute the same by and on behalf of the City.

Background:
The City currently utilizes the Lawson Enterprise Resource Planning system for Finance, Procurement, Human Resources, Payroll, and Budgeting services. This system was installed in 2011-2012 with associated software maintenance. An ongoing multi-year maintenance agreement was approved by council in June of 2018. The vendor, Infor, continues to upgrade the system to provide additional features, improvements, and product and security fixes. The system was upgraded during calendar year 2017.

Product maintenance allows the City to receive annual updates to the system which include bug-fixes, enhancements, and updates to be compliant with current law. The maintenance contract also allows the City to contact Infor in the event of a problem with the system for support. It provides staff with the necessary resources to address problems when they are encountered.

Product support fees are due annually in August.

Impact/Analysis:

Without this agreement in place, the annual increase will be 3% each year which is an additional $10,000 above the previous multi-year commitment agreement. If the City does not acquire any support from Infor, any product issues found needing assistance from the software provider will not be addressed nor would application upgrades be available. The impacts on the entire organization would be significant, as all departments interact with the ERP system for Procurement, Payroll, and financial activities.

Stephen L. Marsh, Chief Technology Officer

Recommendation: Staff recommends approval of the ordinance.

Committee Recommendation: [Enter Committee Recommendation text Here]