

## RESOLUTION NO. 2022 -

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE CITY TO UTILIZE COOPERATIVE PURCHASING ESTABLISHED THROUGH SOURCEWELL CONTRACT 090320-TTI, CONSISTENT WITH MUNICIPAL CODE SECTION 2.60.260, TO PURCHASE TYLER TECHNOLOGIES' MUNIS HOSTED ERP SYSTEM, AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT BETWEEN THE CITY OF NATIONAL CITY AND TYLER TECHNOLOGIES, INC. FOR SAID SYSTEM TO REPLACE THE CURRENT OUTDATED ENTERPRISE RESOURCE PLANNING SOFTWARE SYSTEM FOR A ONE-TIME COST NOT TO EXCEED \$361,498 AND REOCCURRING ANNUAL LICENSE, MAINTENANCE, AND SUPPORT COSTS OF \$125,172**

**WHEREAS**, an Enterprise Resource Planning (“ERP”) system is a technology tool that organizations use to manage day-to-day administrative activities, such as accounting, procurement, budgeting, cashiering, payroll, financial reporting, and human resources; and

**WHEREAS**, since September 1998, the City of National City (“City”) has been using Eden, a Tyler Technologies product, as our ERP system that is almost 25 years old, outdated, limited in capacity, and scheduled to be sunset by Tyler Technologies within a few years; and

**WHEREAS**, the version of Eden the City is currently using was released in 2002; and

**WHEREAS**, the purchase and implementation of a new ERP system will reduce manual data entry, streamline workflow, integrate multiple software products into a single system, and reduce the City’s reliance on paper; and

**WHEREAS**, the City’s goal is to take advantage of a modern ERP system that is designed around best practices, allowing the City to streamline and improve processes that result in timely, accurate, and easy-to-access information. More specifically, the new ERP system should meet the following objectives:

- Consolidate information, link processes and functions, and eliminate separate departmental systems/spreadsheets/access databases in favor of a single system that connects the City’s financial and non-financial applications through a common database;
- Streamline business processes to take advantage of best practices through automation, integration, and workflows;
- Provide a user-friendly and intuitive user interface to promote system use and productivity;
- Eliminate or reduce redundant data entry;

- Eliminate or reduce the need for manual input when preparing various financial documents, including the annual budget and preparation of the Comprehensive Annual Financial Report;
- Improve and/or provide necessary reports and reporting capabilities and access to data through inquiry or drill down capabilities;
- Provide interface capabilities with third-party systems; and

**WHEREAS**, from a cost perspective, to honor the City's almost 25-year strong relationship, Tyler Technologies is honoring the costs the City has already paid to them for our Eden modules as a full credit for the licensing costs of similar Munis modules. This represents a savings of \$217,079 and drops the total price of a Tyler Munis ERP purchase and implementation below that of their competitors; and

**WHEREAS**, Section 2.60.260 of the City of National City Municipal Code provides that the City may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined to be in substantial compliance with the City's procurement procedures, and such a determination has been made in this case; therefore, it is recommended that the purchase be made without complying with the competitive bidding procedure set forth in the Municipal Code; and

**WHEREAS**, the City of National City's Finance Department staff has confirmed that Sourcewell, contract #090320-TTI, was competitively bid through a Request for Proposals ("RFP") process, and that the State of California Department of General Services procurement procedures are in substantial compliance with those of the City of National City; and

**WHEREAS**, City staff recommends City Council waive the bid process to purchase a Tyler Technologies' Munis Hosted ERP System as part of a needed technology upgrade for the City of National City; and

**WHEREAS**, City staff also recommends City Council to authorize the Mayor to execute the Agreement between the City of National City and Tyler Technologies, Inc. for said system to replace the current outdated enterprise resource planning software system for a one-time cost not to exceed \$361,498 and reoccurring annual license, maintenance, and support costs of \$125,172.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:**

**Section 1:** Authorizes the City of National City to utilize cooperative purchasing established through Sourcewell contract 090320-TTI, consistent with municipal code section 2.60.260 for cooperative purchasing, to purchase Tyler Technologies' Munis Hosted ERP System.

**Section 2:** Authorizes the Mayor to execute the Agreement between the City of National City and Tyler Technologies, Inc. for said system to replace the current outdated enterprise resource planning software system for a one-time cost not to exceed \$361,498 and reoccurring annual license, maintenance, and support costs of \$125,172.

**Section 3:** That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

**PASSED AND ADOPTED this 18<sup>th</sup> day of October 2022**

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Alejandra Sotelo-Solis, Mayor

**ATTEST:**

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Luz Molina, City Clerk

**APPROVED AS TO FORM:**

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Barry J. Schultz, Interim City Attorney