



Legislation Details (With Text)

File #: 18-0017 **Version:** 1 **Name:** TI/FM - Contract w/TMG Consulting for implementation of payment processing svcs

Type: Contract **Status:** CCIS

File created: 12/21/2017 **In control:** City Council

On agenda: 1/9/2018 **Final action:** 1/9/2018

Title: Recommendation to adopt Specifications No. RFP T118-001 and award a contract to TMG Consulting, Inc., of Buda, TX, to provide project management services for the implementation of payment processing services, in the amount of \$263,100, and authorize a 20 percent contingency in the amount of \$52,620, for a total contract amount not to exceed \$315,720, for a period of two years; authorize City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments; and

Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$600,000 for total project one-time implementation costs. (Citywide)

Sponsors: Technology and Innovation, Financial Management

Indexes:

Code sections:

Attachments: 1. 010918-C-16sr.pdf

Date	Ver.	Action By	Action	Result
1/9/2018	1	City Council	approve recommendation	Pass

Recommendation to adopt Specifications No. RFP T118-001 and award a contract to TMG Consulting, Inc., of Buda, TX, to provide project management services for the implementation of payment processing services, in the amount of \$263,100, and authorize a 20 percent contingency in the amount of \$52,620, for a total contract amount not to exceed \$315,720, for a period of two years; authorize City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments; and

Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$600,000 for total project one-time implementation costs. (Citywide)

On July 11, 2017, the City Council awarded a contract to Kubra America West, Inc. (Kubra), to provide payment processing for City services. Kubra provides credit/debit card, electronic check (eCheck) and cash payments processing for City services. The conversion to Kubra from the current system for payment processing services will result in the elimination of convenience fees for utility customers.

As mentioned in the July 2017 report to the City Council, a project management firm is needed to assist staff develop a transition plan to convert the City's payment processing systems from its existing vendor, Fidelity National Information Systems, Inc. (FIS), to Kubra. The project management contractor will implement the new payment processing system and

integrate the system with the City's numerous payment interface types.

A Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on September 23, 2017, and 6,649 potential firms specializing in information systems were notified of the RFP opportunity. Of those firms, 48 downloaded the RFP via the City's electronic bid system. The RFP document was also made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority and women-owned business groups. Six proposals were received on October 23, 2017. Of those six proposers, four were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), four were certified Small Business Enterprises (SBEs), and none were Long Beach businesses (Local).

A selection committee, comprised of representatives from the Technology and Innovation and Financial Management Departments, reviewed the proposals and determined that TMG Consulting, Inc. (TMG), of Buda, TX, was the most qualified firm to provide the services based on the qualifications and experience of the firm, as well as for the individual project manager. TMG demonstrated a clear understanding of the scope of work, and is able to perform and meet the aggressive timeline, including creating test scripts and performing a post-project evaluation. TMG was also selected due to their reasonableness of cost for the value delivered, conformance with the terms of the RFP, and a proven successful track record.

Local Business Outreach

In an effort to align with the City's outreach goals, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download the RFP specifications. Through outreach, 649 Long Beach vendors were notified to submit proposals, of which four downloaded and none submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber on December 15, 2017 and by Budget Management Officer Rhutu Amin Gharib on December 20, 2017.

City Council action to adopt Specifications No. RFP TI 18-001 and concurrently award a contract to TMG is requested on January 9, 2018, to ensure the City's payment processing services are not disrupted.

One-time implementation costs for the entire payment processing system conversion project costs approximately \$600,000. This one-time appropriation includes the contract award amount of \$315,720 with TMG and implementation costs for the Kubra system. This cost will be distributed across various user departments and Funds, primarily the Gas, Water, Sewer, Refuse Funds. The allocation is equal to each operation's proportionate usage of the Utility Systems, as shown below:

Fun d	One-Time Implementation Costs
Gen eral Fun d	\$31,690
Wat er Fun d	\$119,006
Sew er Fun d	\$113,789
Gas Fun d	\$183,303
Ref use Fun d	\$152,212
Tot al	\$600,000

The cost of the allocation to the impacted user departments and funds is not currently budgeted in the General Services Fund (IS 385) in the Technology and Innovation Department (TI). Therefore, an appropriation increase in the amount of \$600,000 is included in the recommendation. The participating departments are aware of the costs.

Approve recommendation.

[Enter Body Here]

BRYAN M. SASTOKAS
DIRECTOR OF TECHNOLOGY AND INNOVATION

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER