

**COUNCIL ACTION FORM**

**SUBJECT: PURCHASE OF FINANCIAL SOFTWARE HOSTING AND MAINTENANCE FROM CENTRALSQUARE**

**BACKGROUND:**

CentralSquare Technologies, LLC is the City's software vendor for integrated financial, payroll, and utility billing. For the past two decades, the City has contracted with the vendor on an annual basis for software licenses and support.

In July 2021, Council approved the migration of Central Square NaviLine software to Software-as-a-Service (SaaS), hosted by Central Square. This allowed the City to retire its IBM iSeries server and reduce personnel costs that supported this server. On December 5, 2021, the City completed this transition to SaaS.

The initial signed contract for CentralSquare SaaS services was for a two-year term with an option for annual renewal thereafter. Staff is requesting authorization for payment of the second year of the initial term in the amount of \$128,074.69. This payment will cover the expenses through the end of the initial term, which concludes in December 2023.

The operating budget for Information Technology for FY 2022/23 allocates \$130,960 for Central Squares software.

**ALTERNATIVES:**

1. Authorize payment to CentralSquare Technologies, LLC, a CentralSquare Company of Lake Mary, FL for year two for the software hosting contract in the amount of \$128,074.69.
2. Do not authorize City staff to pay CentralSquare Technologies, LLC, a CentralSquare Company for year two for the software hosting contract.

**CITY MANAGER'S RECOMMENDED ACTION:**

CentralSquare is the sole provider for SaaS and maintenance services for the integrated financial, payroll, and utility billing used by the City. The City's experience with this contract has been positive and mission-critical accounting processes continue to be completed.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as stated above.