

City of Fayetteville Staff Review Form

2018-0495

Legistar File ID

10/2/2018

City Council Meeting Date - Agenda Item Only  
N/A for Non-Agenda Item

Keith Macedo

9/5/2018

Information Technology /  
Chief of Staff

Submitted By

Submitted Date

Division / Department

Action Recommendation:

To approve an ordinance waiving the requirements of formal competitive bidding and approving purchases with MCCi, LLC, for annual Laserfiche software maintenance, licenses, future software modules, and support through fiscal year 2022.

Budget Impact:

4470.9470.5801.00 1010.170.1710.5416.00

Sales Tax Capital Improvements

General

Fund

Account Number

Fund

02094.1

Document Management

Project Number

Project Title

Budgeted Item? Yes

Current Budget

\$

448,853.00

Funds Obligated

\$

306,867.00

Current Balance

\$

141,986.00

Does item have a cost? Yes

Item Cost

\$

54,318.85

Budget Adjustment Attached? NA

Budget Adjustment

Remaining Budget

\$

87,667.15

V20140710

Previous Ordinance or Resolution # 145-15, 5855

Original Contract Number:

Approval Date:

Comments:



**TO:** Mayor Lioneld Jordan and City Council

**THRU:** Don Marr, Chief of Staff

**FROM:** Keith Macedo, Information Technology Director

**DATE:** September 5, 2018

**SUBJECT:** To approve an ordinance waiving the requirements of formal competitive bidding and approving purchases with MCCi, LLC, for annual Laserfiche software maintenance, licenses, future software modules, and support through fiscal year 2022.

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**RECOMMENDATION:**

Staff recommends an ordinance waiving the requirements of formal competitive bidding and approving purchases with MCCi, LLC, for Laserfiche annual software maintenance, licenses, future software modules, and support through fiscal year 2022.

**BACKGROUND:**

As part of the ERP project that was approved by City Council on August 18, 2015, the City purchased a new document management system called Laserfiche. The initial implementation of Laserfiche was primarily focused within the City Clerk, Finance, and Police departments. Over the past several years the City has expanded the deployment of Laserfiche across the City with a focus on fillable forms and automating the process of indexing and filing documents. Laserfiche is an application that is not only an image archiving tool but provides document management tools to automate document processes, workflow approval, routing of documents, and automated archival of documents.

Laserfiche is sold through resellers and Fayetteville selected MCCi as their preferred Laserfiche reseller during the ERP selection process. Laserfiche utilizes resellers as their extended product support team and recommends developing partnerships with a reseller that specializes in specific vertical markets. MCCi is currently the largest government reseller of Laserfiche in the United States with a proven track record of supporting over 950 government agencies.

**DISCUSSION:**

The City currently owns ninety (90) Laserfiche full client licenses, eighty (80) Laserfiche Forms licenses, and ninety (90) Laserfiche Connector licenses. The attached quote provides annual software maintenance for existing Laserfiche licenses and holds future software maintenance increases to a maximum increase of 2% per year through fiscal year 2022. The initial year of maintenance will be \$54,318.85, to provide support for our existing software modules and licenses.

In addition to the attached annual software maintenance quotes, staff is requesting approval to purchase additional software, associated software maintenance, and services from MCCi through fiscal year 2022. Staff is requesting approval to spend up to \$90,000 with MCCi to support the City's ongoing Laserfiche projects through fiscal year 2022. The additional \$90,000

is detailed within the approved 2018-2022 Document Imaging capital improvements project (CIP), which provides funding for the expansion of Laserfiche. We are confident the expansion of this software system provides significant improvements in document management and staff efficiency to justify the continued investment in Laserfiche.

**BUDGET/STAFF IMPACT:**

As detailed in the attached quote Laserfiche annual maintenance for year one (1) will be \$54,318.85. Future years may increase due to the purchase of additional Laserfiche software and modules with the total five (5) year cost estimated to be \$217,275.40. The total cost of additional software products, software maintenance, and services is estimated at \$90,000.00 over the next 4 years, as detailed in the 2018-2022 Document Imaging CIP project. Funding is allocated for the expansion of our document management and Laserfiche needs within the CIP budget while software maintenance and services is funded within the General Fund Information Technology operating budget.

**Attachments:**

Staff Review Form  
Staff Review Memo  
Sole Source Request  
Quote

**ESTIMATED CONTRACT AMOUNT\***

275000

**P-CARD / PO\***

☐ P-Card ☒ PO

**RECOMMENDED SUPPLIER NAME\***

MCCi

**REASON(S) FOR REQUESTING A SOLE SOURCE PURCHASE\***

- ☐ Original manufacturer or provider; no other local distributors exist.
- ☐ Only local distributor for the original manufacturer or provider.
- ☐ Parts or equipment not interchangeable with similar parts of another manufacturer.
- ☐ Only known item or service matching the requested needs or performing the intended task.
- ☐ Sole provider of a licensed or patented good or service.
- ☐ Sole provider of items compatible with existing equipment, inventory, systems, programs, or services.
- ☐ Sole provider of good or services established as a standard (Please provide evidence of such a standard).
- ☐ Sole provider of factory authorized warranty service.
- ☐ Used item representing good value and advantage.
- ☐ Time is of the essence and only one known source can meet the needs within the required timeframe.  
(Lack of adequate advanced planning does not create an urgency that justifies sole source acquisition).
- ☐ Alternate supplier for a similar product cannot be identified.
- ☒ None of the above applies (Please attach a detailed explanation and justification for this sole source request).

**DETAILED EXPLANATION AND JUSTIFICATION\***

Requesting a sole source approval to purchase annual software maintenance for Laserfiche electronic document management software through the reseller MCCi. Laserfiche utilizes reseller's to sell and support their software and the City selected MCCi as the City's Laserfiche support vendor as part of the New World ERP purchase, per resolution 145-15. The City continues to leverage the features of Laserfiche to improve the management of electronic documents which necessitates the software to be on an annual support contract. MCCi has provided a quote for annual maintenance with a clause to limit price increases to a maximum of 2% over a 5 year term. Staff will submit a Legistar item to request Council approval of the sole source request and purchase of annual maintenance.

Explain why the product or service requested is the only one that can satisfy your requirements as well as why alternatives are unacceptable. Be specific in regards to specifications. Attach additional pages if necessary.

**REQUESTER\***

Keith Macedo

I hereby certify that, to the best of my knowledge, the above justification is accurate and request that a sole source be approved for the procurement of the above requested items or services.

**REQUESTER EMAIL\***

keithmacedo@gmail.com

**DEPARTMENT\***

INFORMATION TECHNOLOGY

**DATE\***

9/4/2018

Please complete form in its entirety.  
Contact Purchasing Department if you require assistance.



## Support Renewal Quote

### PRICING PROPOSAL

PO Box 2235  
Tallahassee, FL 32316  
850.701.0725  
850.564.7496 fax

Complete and return to:  
[finance@mccinnovations.com](mailto:finance@mccinnovations.com)

Client Name: Fayetteville, AR

Support Dates: 10/29/2018 - 10/28/2019

MCCi has summarized your current Laserfiche licensing below. This annual amount should remain in place for the subsequent years unless the City of Fayetteville decides to add additional Laserfiche licenses or MCCi services; however, MCCi recommends The City of Fayetteville budget for 2% increases annually to cover increases in cost, etc.

Product Description:	Qty.	Cost	Total
<b>ANNUAL SOFTWARE SUPPORT/SUBSCRIPTION - BASIC LSAP</b>			
<input checked="" type="checkbox"/> Rio Pilot - Records Management 50-99 Users <i>Includes Unlimited Laserfiche Servers, Records Management Edition, Workflow, WebAccess (including the SharePoint integration web parts and WebAccess Light), Advanced Audit Trail, Snapshot, and Email</i>	90	\$193.20	\$17,388.00
<input checked="" type="checkbox"/> LF Scanconnect for Rio 10-pack	1	\$193.20	\$193.20
<input checked="" type="checkbox"/> LF Forms Professional 50-99 Users (10% Add-on to all Named Users)	90	\$17.54	\$1,578.15
<input checked="" type="checkbox"/> LF Forms Rio Authenticated Participants (50-199 Users)	80	\$29.40	\$2,352.00
<input checked="" type="checkbox"/> Rio LF Forms Portal *Allows Forms Portal to be activated on a Forms server. Multiple licenses are needed if multiple activations are required. Allows form submission only, from unlicensed (public) and non-authenticated users.	2	\$1,680.00	\$3,360.00
<input checked="" type="checkbox"/> Public Portal for 2 Laserfiche Servers <i>Includes WebLink-only unlimited retrieval connections per server.</i>	1	\$10,500.00	\$10,500.00
<input checked="" type="checkbox"/> Quick Fields Complete for Rio <i>Includes QF, Validation packages for Bar Code, RTL, Zone OCR, Doc Classification, Forms Alignment, Forms Identification, Forms Extractor, OMR, and Auto Stamp/Redaction/Bates Numbering</i>	1	\$3,150.00	\$3,150.00
<input checked="" type="checkbox"/> QF Agent for Rio	1	\$2,100.00	\$2,100.00
<input checked="" type="checkbox"/> Laserfiche Connector 50-99 Users (5% Add-on to all Named Users)	90	\$8.75	\$787.50
<input checked="" type="checkbox"/> Laserfiche Administration Services, Level 1 <i>Laserfiche Administration Services needs are estimated based on the current software components provided herein: up to 60 hours.</i>	1	\$8,910.00	\$8,910.00
<input checked="" type="checkbox"/> MCCi SLA 50-100 Laserfiche Users <i>Receive 4 hour or less response time and up to 10% off future professional service engagements – full SLA document available upon request</i>	1	\$4,000.00	\$4,000.00
<b>Annual Support Total</b>			<b>\$54,318.85</b>
<i>For budgetary purposes, the Client should include \$54,318.85 in annual budget for renewal of the items quoted above. Please note that if you subscribe to MCCi's SLA or Training Center, additional user licenses may increase the cost of these items at the time of your next annual renewal.</i>			

**Annual Support Total for Year 1** **\$54,318.85**

**Estimated Annual Support Total for Year 2-5** **\$217,275.40**

**All Quotes Expire in 30 Days**

This completed form will constitute as an order and will be in accordance with the terms and conditions of the existing contract between MCCi and the Client. Pricing is valid for 30 days from date appearing on this order. MCCi will invoice one hundred percent (100%) of the software and support upon delivery of software. If services are included, the balance of the total project will be invoiced upon completion of the proposed professional services, which may be broken up based on the completion date of specific services. Sales tax will be included where applicable. Payment will be due upon receipt of an invoice.

Note: MCCi will prorate the support of this additional software to be congruent with your current Laserfiche system's support (LSAP) dates, the purpose of which is to align all software with one support date so maintenance of your account is made easy. MCCi will bill for the actual amount of support, which may be higher or lower than quoted. To ensure you are budgeting correctly for future renewals, please add the amount listed in the budgetary note above to your current budgeted renewal amount. Laserfiche software and help files are provided electronically. If hard copy manuals or software is desired, there is a \$50 additional charge. This will need to be requested.

**This is NOT an invoice. Please use this confirmation to initiate your purchasing process.**