



City of San Antonio

Agenda Memorandum

File Number:21-3274

Agenda Item Number: 7.

Agenda Date: 5/20/2021

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Kofax Upgrades, Maintenance and Support

SUMMARY:

This ordinance authorizes a contract with Kofax, Inc. (Kofax) for upgrades, implementation services and continued maintenance and support to the Readsoft, Inc. software for the Accounts Payable invoice system for an estimated total contract value of \$342,122.12 over a five-year period for the Information Technology Services Department. The FY 2021 costs for this contract are \$67,328.00 for the Readsoft, Inc. upgrades and \$49,731.00 for maintenance and support fees, for a total FY 2021 cost of \$117,059.00. Funding for the FY 2021 costs are available in the FY 2021 Information Technology Services Fund Budget. Funding for annually recurring maintenance and support fees will be subject to City Council approval of the annual budget.

BACKGROUND INFORMATION:

The Readsoft, Inc. contract was approved by City Council on September 11, 2014 to provide the purchase, configuration, implementation, and training for software to further automate and streamline Accounts Payable invoice processing. Readsoft, Inc. has been a certified data capture SAP partner since 2001 with over 1,000 SAP customers and has extensive public sector experience.

On June 30, 2017, Kofax acquired Readsoft, Inc. and took over the annual maintenance and support services. In addition to the annual maintenance and support services, Kofax will provide the upgrades for the Invoices product, including all associated components in Non-Production and Production environments. All related components will be upgraded as well including Collector, Collector Converters, ScanHelper, Business Rules

Engine (BRE, formerly known as RCE or ReadSoft Common Extensions), VendorSearch, Transfer2PDF, and the Ebydos Invoice Cockpit Connector. Existing Workstations will be upgraded to the latest version and pointed to the new Invoices product version.

Kofax will provide services to support upgrading Process Director for AP to the most recent generally available version and service pack, including Work Cycle and the Process Director Web Application. The Process Director for AP Enhancement Package will be upgraded to the most recent generally available version.

The maintenance and support of the Accounts Payable invoice system began on April 1, 2021 to maintain support continuity. The upgrade shall begin upon the effective date of the ordinance awarding the contract. The contract shall terminate on March 31, 2022. Four additional one-year renewal periods, at the City's option shall also be authorized by this ordinance.

ISSUE:

This contract will provide for upgrades to the Readsoft, Inc. software, and continued maintenance and support for the Accounts Payable invoice system. Kofax holds all copyright, patent trademark, and other intellectual property rights to these products. Kofax is the single source of direct support and assurance services for the Kofax Readsoft Total Automation software.

These items are being purchased as Sole Source according to the provisions of Texas Statutes Local Government Code 252.022.07. No other source can supply the items listed nor can any comparable item fulfill the same requirements. Vendor acknowledges, with his/her signature, that all items offered are considered a Sole Source.

This contract is sole source and exempt from competitive bidding and is excluded from the scope of the SBEDA program.

This award is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program does not apply to non-professional services contracts, so no preference was applied to this contract.

ALTERNATIVES:

Should the contract with Kofax, Inc. not be approved, the City will be not be able to further enhance the functionality of the current software which will hinder the ability to pay vendors on time thereby resulting in lost discounts, impact vendor relations, and potentially experience a reduction in the number of vendors willing to do business with the City.

FISCAL IMPACT:

This ordinance authorizes a contract with Kofax, Inc. (Kofax) for upgrades to the Readsoft, Inc. software for the Accounts Payable invoice system and continued maintenance and support for an estimated total contract value of \$342,122.12 over a five-year period for the Information Technology Services Department. The FY 2021 costs for this contract are \$67,328.00 for the Readsoft, Inc. upgrades and \$49,731.00 for maintenance and support fees, for a total FY 2021 cost of \$117,059.00. Funding for the FY 2021 costs are available in the FY 2021 Information Technology Services Fund Budget. Funding for annually recurring maintenance and support

fees will be subject to City Council approval of the annual budget.

RECOMMENDATION:

Staff recommends approval of the contract with Kofax, Inc. (Kofax) for upgrades to the Readsoft, Inc. software for the Accounts Payable invoice system and continued maintenance and support for an estimated total contract value of \$342,122.12 over a five-year period.

This contract was procured citing a Sole Source Exemption and a Contracts Disclosure Form is not required.