

Metropolitan Transportation Commission
Administration Committee

November 13, 2024

Agenda Item 2b-24-1296

Contract Amendment (Sole Source) – Central Square Technologies, LLC (\$815,859)

Subject:

Request for authorization to negotiate and execute a contract amendment, on a sole source basis, with Central Square Technologies LLC (Central Square) to add \$815,859, for a total contract amount not to exceed \$2,700,115, for a two-year software license renewal of the One Solution Finance Enterprise and Human Capital Management (HCM) software applications through December 31, 2026.

Background:

In December 2019, the MTC Administration Committee approved a three-year contract with Central Square, under a compelling business reasons sole source, in an amount not to exceed \$1,125,654 for implementation of Central Square's HCM software and three years of licensing fees of their One Solution Finance Enterprise and HCM software, with an option to extend for two additional calendar years.

Central Square provides an Enterprise Resource Planning (ERP) application making up our financial accounting systems, including general ledger, accounts payable, accounts receivable, and budgets as well as HCM systems including human resources, benefits, and payroll administration.

In June 2024, the Commission approved the purchase of Oracle Cloud ERP and HCM software, which will replace Central Square's ERP/HCM systems in early 2026. The proposed extension of Central Square's license will support financial and human resource operations during the implementation and migration to the Oracle system.

Contract Amendment for Ongoing Work

The proposed contract amendment would extend the contract term with Central Square through December 31, 2026, extending the current license agreement for two additional calendar years.

The proposed amendment would add an additional amount not to exceed of \$815,859, which includes license agreements of \$300,419 for 2025 and \$315,440 for 2026, as well as an

additional \$200,000 for professional services. This contract amendment reflects a five percent rate increase for each license year, consistent with that used in the original 3-year license agreement and prior amendment.

	Original	Amendment 1		Subtotal	Amendment 2 Requested		Revised Total
Description of Services/Term	<u>2020-2022</u>	<u>2023</u>	<u>2024</u>		<u>2025</u>	<u>2026</u>	
Implementation Costs	\$383,599	\$0	\$0	\$383,599	\$0	\$0	\$383,599
Service Fee	742,055	272,489	286,113	1,300,657	300,419	315,440	1,916,516
Professional Services	0	100,000	100,000	200,000	100,000	100,000	400,000
Total	\$1,125,654	\$372,489	\$386,113	\$1,884,256	\$400,419	\$415,440	\$2,700,115

Issues:

None identified.

Recommendations:

Staff recommends that the Committee authorize the Executive Director or designee to enter into a contract amendment, on a sole source basis, with Central Square Technologies LLC (Central Square) to add \$815,859, for a total contract amount not to exceed \$2,700,115, for an additional two-year software license renewal of the One Solution Finance Enterprise and HCM software applications, additional professional services support through December 31, 2026.

Attachments:

- Request for Committee Approval – Summary of Proposed Contract Amendment



Andrew B. Fremier

Request for Committee Approval

Summary of Proposed Contract Amendment

Work Item No.:	1152/1254
Consultant:	Central Square Technologies, LLC Lake Mary, FL
Work Project Title:	One Solution Finance Enterprise and Human Capital Management (HCM) License Agreement Extension
Purpose of Project:	Exercise an additional Two-year License Agreement Option for Central Square Technologies, LLC Finance Enterprise and HCM Applications and Professional Services support.
Brief Scope of Work:	Extend license agreement with Central Square Technologies, LLC, providing Financial, Human Resource, and Payroll software applications and include additional professional services support.
Project Cost Not to Exceed:	\$815,859 (this amendment) Total contract before this amendment: \$1,884,256 Total authorized contract after this amendment: \$2,700,115
Funding Source:	MTC/BATA
Fiscal Impact:	\$400,419 is available in MTC's fiscal year (FY) 2024-25 budget and the remainder is subject to approval in future budget years. \$400,419 for FY 2024-25 (January 1, 2025 to December 31, 2025) \$415,440 for FY 2025-26 (January 1, 2026 to December 31, 2026)
Motion by Committee:	That the Executive Director or designee is authorized to negotiate and enter into a contract amendment, on a sole source basis, with Central Square Technologies, LLC for licensing of Central Square's Finance Enterprise and HCM applications as described above and in the Administration Committee Summary Sheet dated November 13 2024, and that the Chief Financial Officer is authorized to set aside \$815,859 for such amendment subject to approval of the FY 2025-26 agency budget through December 31, 2026.
Administration Committee:	<hr/> Gina Papan, Chair
Approved:	November 13, 2024