



Item Number: 9

City Council / Board of Directors

Written Communications

Meeting of: February 4, 2025

Submitted By:

Carmen Cun, Finance Director / City Treasurer
Mazharul Islam, Technology Officer

Subject:

Selectron Technologies, Inc. Master Services and Hosting Agreement

Recommendation:

That the Honorable City Council approve, and authorize the City Manager to sign, a five-year Master Services and Hosting Agreement by and between the City of Victorville and Selectron Technologies, Inc., in an amount not to exceed \$450,963.12, for the implementation of the utility billing Interactive Voice Response (IVR) phone services; and authorize the City Attorney to make non-substantiative changes to said agreement, as may be necessary.

Fiscal Impact:

This proposed action would result in a fiscal impact of \$450,963.12 over a 5-year period. The expenditures for the first year would be \$106,879.68 as referenced in the annual breakdown below. This includes a one-time cost in the first year to initially upgrade Selectron IVR to a cloud-based platform.

5-Year Contract	Year 1	Year 2	Year 3
Initial Upgrade	\$72,364.32	\$0.00	\$0.00
Hosting Services	\$14,405.86	\$14,405.86	\$14,405.86
Support & Maintenance	\$22,850.00	\$23,535.00	\$24,240.00
Message Bundle for Relay Channels	\$0.00	\$47,000.00	\$47,000.00
2.5% Discount	-\$2,740.50	\$0.00	\$0.00
Annual Total	\$106,879.68	\$84,940.86	\$85,645.86

5-Year Contract	Year 4	Year 5	5 Yr. Total
Initial Upgrade	\$0.00	\$0.00	\$72,364.32
Hosting Services	\$14,405.86	\$14,405.86	\$72,029.30
Support & Maintenance	\$24,970.00	\$25,715.00	\$121,310.00
Message Bundle for Relay Channels	\$47,000.00	\$47,000.00	\$188,000.00
2.5% Discount	\$0.00	\$0.00	-\$2,740.50

Annual Total	\$86,375.86	\$87,120.86	\$450,963.12
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The expenditures for the first year have been budgeted in the current fiscal year under account code 1001557-52300, IT Communication Systems Contract Services.

Strategic Plan Goal:

This item aligns with Strategic Goal A. Financial Sustainability – foster fiscal health through disciplined long-term planning, cost control, increased revenues, and cost recovery. Selectron Technologies, Inc. (Selectron) IVR services provides an additional method of processing utility bill payments while enhancing the customers' service experience.

Background:

On January 2, 2013, the City Council approved the original agreement with Selectron for IVR services. Implementation of IVR services required integration between Selectron and the City's Enterprise Resource Planning (ERP) system, Enterprise ERP, formerly known as Munis, a Tyler Technologies product. This integration allowed City of Victorville customers to access the following services on their utility billing accounts:

1. Process a credit card payment over the phone
2. Check account balances due
3. Review billing and payment history
4. Navigate menus using bilingual voice responses in Spanish

These services were available to customers 24 hours a day, 7 days a week, 365 days a year. Additionally, Billing staff were also able to send outgoing campaigns to customers through the IVR service. Over time, this service became heavily relied upon by the City's customers, which in turn helped reduce call volume and call wait times during business hours.

In July of 2024, the City migrated to Tyler Technologies' cloud-based Enterprise ERP solution. Due to the cloud migration, City staff must re-integrate various 3rd party software solutions with Enterprise ERP to restore functionality. This includes the Selectron IVR service.

Discussion:

If approved, this agreement with Selectron Technologies would include an initial upgrade to Selectron's cloud-based platform in the first year. This would allow for the re-integration of Selectron's IVR software with the City's Enterprise ERP system and restore IVR services for utility billing customers with the added option to offer e-checks should the City ever decide to implement this in the future.

Selectron Technologies, Inc. is an approved General Services Administration (GSA) vendor, under Contract Number GS-35F-0315X. The GSA is a cooperative purchasing agency that pre-screens and vets bidding agencies to guarantee the best pricing and services to local government. Pursuant to Victorville Municipal Code (VMC) §2.28.100(b)(3), bidding procedures under this section may be dispensed for the purchase of general services or supplies and equipment with an estimated cost in excess

of fifty thousand dollars where the general services, supplies, or equipment are purchased through a cooperative purchasing arrangement. Pursuant to VMC §2.28.120(a)(1), City Council approval must still be obtained for the purchases of supplies and equipment through cooperative purchasing arrangements in excess of one hundred twenty-five thousand dollars.

Selectron IVR became a service option that the City's utility billing customers came to rely on heavily. As such, staff would like to re-integrate this service, allowing the City to provide customers with an additional method of processing utility bill payments while enhancing the customers' service experience. For these reasons, staff recommends that the City Council approve, and authorize the City Manager to sign, a Master Services and Hosting Agreement to Selectron Technologies, Inc. in the not to exceed amount of \$450,963.12 over the next five years for IVR services; and authorize the City Attorney to make non-substantiative changes to said agreement, as may be necessary. .

Staff are available for any questions the Council may have.

Attachments:

- A. Master Services and Hosting Agreement
B. Quote #WE6649H
C. GSA Contract #GS-35F-0315X