

IN CITY COUNCIL
CITY OF CAMBRIDGE
May 21, 2001

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2000

ORDERED: That in addition to sums previously appropriated by the City Council for the fiscal period 2000-01 the following sum is hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	OTHER DEPARTMENT OR PROGRAM	SALARY & WAGES	ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
General Government	Finance/ Treasury		\$75,000			\$75,000

BE IT FURTHER ORDERED: That the above acceptance and appropriation in the General Fund to be financed by estimated revenues drawn from the following sources:

FINANCING PLAN

REVENUE

Free cash

\$75,000

In City Council May 21, 2001.

Adopted by a yeas and nays vote:-

Yeas 9; Nays 0; Absent 0.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury

D. Margaret Drury
City Clerk

City of Cambridge

MASSACHUSETTS

In City Council 5 - 21, 2001

TT Mgr's Agenda #10

YEA	NAY	ABSENT	PRESENT	
✓				Ms. Kathleen L. Born
✓				Mr. James Braude
✓				Ms. Henrietta Davis
✓				Ms. Marjorie C. Decker
✓				Vice Mayor David P. Maher
✓				Mr. Kenneth E. Reeves
✓				Mr. Michael A. Sullivan
✓				Mr. Timothy J. Toomey, Jr.
✓				Mayor Anthony D. Galluccio

9 0 0 0



CITY OF CAMBRIDGE
Finance Department
City Hall, Cambridge Massachusetts 02139

Administration 349-4212
Tax/Utility Coll 349-4220
Treasury 349-4212
Payroll 349-4290

TO: Robert Healy, City Manager
FROM: James Maloney, Assistant City Manager for Fiscal Affairs
DATE: May 15, 2001
SUBJECT: Appropriation For Implementation of Web-enabled Payment Transaction Services

In June of 2000, the City Council requested that the City begin to expand the transactional capabilities of its internet web-site. In response to this request, the Finance Department plans to begin accepting payments of taxes and utility payments via the web. The purpose of this memo is to request an appropriation of \$75,000 to implement and maintain a system for web-enabled payment transaction services. These funds will be used as follows:

◆ One time cost for application deployment:	\$24,000	
◆ Annual Maintenance fee (covers customer support, hosting, and maintenance):	\$31,680	--First Year
◆ Per Transaction Costs (annual):*	\$19,320**	--First Year
	\$75,000	

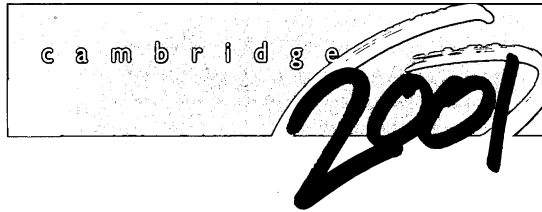
* Credit card processor fees and bank charges for electronic checks.

**This is an estimate. If more payments than anticipated are transacted via the web, a supplemental appropriation may be required.

The implementation of this project will allow Cambridge tax payers and residents to pay motor excise taxes, and water/sewer bills on-line using credit and debit cards as well as electronic checks. Property tax payments will be accepted on-line using electronic checks. Because of the potentially large payments associated with property taxes, and the resulting large credit card processing fees (approximately 2% of the value of the payment), the City will not accept credit card payments for property tax accounts. The City has decided to cover the per transaction cost of processing payments via the web rather than passing on the costs to the consumer in order to encourage the use of this payment method. I anticipate that the implementation of this project will be complete by

August 2001. In addition, the City will implement a pay-by-web system for parking tickets as part of its contract with Lockheed Martin, the contractor that currently maintains the City's parking ticket processing system. I anticipate that payment of parking tickets on-line will be available no later than August 2001 also.

The City received proposals from five firms, four of which were Application Service Providers (ASP), and one that provided a software application solution. The proposals were reviewed by a selection committee, which was comprised of Finance and MIS department staff. Four finalists were asked make presentations to the selection committee. The selection committee determined that the needs of the City were best met through the ASP business model. Based on the merits of its technical proposal and presentation, Govolution was awarded the contract. Govolution, a firm based in Washington D.C, has several large Federal clients, including the Treasury Department. Recently, Govolution began a web-enabled payment transactions project for the County of Fairfax, Va.



10.

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager Richard C. Rossi, Deputy City Manager

May 21, 2001

To The Honorable, The City Council:

I am hereby requesting the appropriation of \$75,000 to the General Fund Finance Department Treasury Division to the Other Ordinary Maintenance Account from Free Cash.

I have attached a communication from Assistant City Manager for Finance James Maloney detailing this appropriation request.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Healy".

Robert W. Healy
City Manager

RWH/mec
attachment



64 F

Consent Agenda #10

Appropriation of \$75,000
to provide funds for the
implementation of
web-enabled payment
transaction services.

In City Council May 21, 2001

ORDER ADOPTED

9-0-0