
File ID: 2026-01428

8/18/2026

[Contract Supplement] Software Integration for the Cashiering Implementation Project

File ID: 2026-01428

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or designee to: 1) execute Supplemental Agreement No. 3 to City Agreement 2021-0551 with System Innovators to support the Clariti software integration for the Cashiering System; 2) increase the budget by \$88,230, increasing the total not-to-exceed amount to \$593,070; 3) ratifying previous supplemental agreements to City Agreement No. 2021-0551; and 4) resetting the City Manager or designee's authority to execute supplemental agreements for Contract No. 2021-0551.

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Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Supplemental Contract

Description/Analysis

Issue Detail: The City is implementing Clariti as a modern case management and permitting platform to replace legacy applications and fragmented manual processes. The initial implementation supports the Community Development Department's Code Enforcement Division and the Convention and Cultural Services Department's Entertainment Services Division.

For Code Enforcement, Clariti will provide a centralized system to manage complaints, inspections, violations, notices, cases, fees, and related enforcement activities. For Entertainment Services, the platform will support the electronic submission, review, approval, issuance, and management of entertainment permits. The solution will allow applicants to submit applications and supporting documents online while enabling City staff to route applications among participating departments, communicate with applicants, track status, and maintain a complete record of permit and case

activity.

As part of the implementation, Clariti must be integrated with the City's cloud-hosted iNovah cashiering system to process payments and return transaction information to Clariti. The integration will also allow related financial information to be transmitted to the City's eCAPS financial system for accounting, reconciliation, and reporting. Specialized iNovah professional services are required to design, configure, test, and implement this integration.

The new system will replace legacy applications and fragmented manual processes with a centralized digital solution. It will allow applicants to submit applications and supporting documentation electronically; enable City staff to review and route applications among participating departments; track permit and case status; communicate with applicants; collect applicable fees; and maintain a complete record of permit and case activity. To streamline payment collection, Clariti must be integrated with the City's cloud-hosted iNovah cashiering system. The integration will allow fees calculated in Clariti to be securely transmitted to iNovah for payment processing and will return payment and transaction status information to Clariti. The integration will also support refunds, voids, adjustments, transaction reconciliation, and financial reporting.

Increasing the contract limit will provide the additional iNovah professional services necessary to design, configure, test, and implement the Clariti-iNovah integration. The additional contract capacity will help ensure that payment-processing functionality is operational and fully tested before the Code Enforcement and Entertainment Permit systems are placed into production.

Policy Considerations: Council approval is required for extending Professional Services beyond five years and executing a contract amendment that increases the contract amount to \$250,000 or more per City Professional Services Policy and City Code 3.04.20.

Economic Impacts: None.

Environmental Considerations: This report concerns administrative activities and government fiscal activities that do not constitute a "project" as defined by the CEQA Guideline sections 15378 (b) (2) and 15378 (b)(4) and are not subject to the provisions of CEQA.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Approval of the contract limit increase will provide the specialized iNovah professional services needed to complete the integration between Clariti and the City's cloud-

hosted iNovah cashiering system.

The integration will streamline payment processing for Code Enforcement and Entertainment Permits and allow related financial information to flow into the City's eCAPS financial system. This will reduce manual processing, improve transaction accuracy, and support reconciliation and financial reporting.

Increasing the contract limit will allow the City to complete the required integration work, conduct end-to-end testing across Clariti, iNovah, and eCAPS, and prepare the solution for production implementation. Approval will support streamlined customer experience, improve payment processing and financial management efficiency, and help ensure the successful deployment of the Code Enforcement and Entertainment Permit systems.

Financial Considerations: The cost of this contract amendment will be shared among the Recycling and Solid Waste Division (\$16,146.00), the Community Development Department's Code Enforcement Division (\$37,674.00), and the Convention and Cultural Services Department's Entertainment Services Division (\$26,910.00). Each participating department will fund its respective share using available budgeted resources.

Local Business Enterprise (LBE): Not applicable.

CITY OF SACRAMENTO

**CONTRACT AMENDMENT
CHANGE IN SCOPE AND NOT-TO-EXCEED AMOUNT**

The City of Sacramento ("City") and System Innovators ("Contractor"), as parties to that certain contract designated as Contract Number 2021-0551, including any and all prior amendments modifying the contract (the contract and all amendments are hereafter collectively referred to as the "Contract"), hereby amend the Contract as follows:

1. The Scope of Services set forth in Exhibit A of the Contract is amended as follows:

The **Time of Performance** is extended to 12/31/2027 and the terms of **Attachment 2** to **Exhibit A**, attached hereto, are incorporated into the Contract.

2. The maximum not-to-exceed amount that is specified in the Contract for payment of Contractor's fees and expenses is **increased** by \$ **88,230.00**, and the Contract's maximum not-to-exceed amount is amended as follows:

Contract's original not-to-exceed amount:	\$469,440.00
Net change by previous amendments:	35,400.00
Not-to-exceed amount prior to this amendment:	504,840.00
Increase by this amendment:	\$88,230.00
New not-to exceed amount including all amendments:	\$593,070.00

3. Contractor agrees that the amount specified in section 2 above shall fully compensate Contractor under the Contract, as modified by this amendment, including any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, and costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this contract amendment on behalf of Contractor is duly authorized by Contractor to sign this amendment and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform as required under the Contract, as modified by this amendment.

[SIGNATURES ON FOLLOWING PAGE]



Additional Service Request

Sacramento, City of

Deal # 9883145133

05-05-2026

City of Sacramento - Clariti Real Time Interface

This additional service request is subject to the terms of the existing agreement, Agreement #1 C2021-0551 between City of Sacramento ("Organization") and System Innovators, a Division of N. Harris Computer Corporation.

Component	Price	Subtotal
Subscription Service		
Clariti Real Time Integration Real Time Integration	\$7,500.00	\$7,500.00
Professional Services		
Professional Services Analysis, Design, Development, Testing and Deployment of Integration	\$80,730.00	\$80,730.00

Subtotal \$88,230.00

Total* (USD) \$88,230.00

* Tax not included. The Organization is responsible for paying any applicable tax or providing the necessary Tax Exception Documentation.

Payment Schedule

This schedule represents the fixed-price professional services investment for the design, development, coding, testing, and implementation of the requested modification described in the Statement of Work. This investment will be paid in installments based on the milestones identified in the following payment schedule.

Payment Number	Milestones	Payment Amount
1	Subscription paid annually Year 1 Total Due Upon Contract Execution	\$7,500.00
2	Phase 1 - Project Initiation - Due Upon Phase Start	\$8,073.00
3	Phase 2 - Analyze & Design - Due Upon Phase Start	\$16,146.00
4	Phase 3 - Development - Due Upon Phase Start	\$36,328.50
5	Phase 4 - Testing - Due Upon Phase Start	\$12,109.50
6	Phase 5 - Deployment - Due Upon Phase Start	\$4,036.50
7	Phase 6 - Transition - Due Upon Phase Start	\$4,036.50

Payment Milestone Total* \$88,230.00

*Payment Milestone amounts do not include Tax. The Organization is responsible for paying any applicable tax or providing the necessary Tax Exception Documentation.

Signature Block

By signing below, City of Sacramento authorizes System Innovators to proceed with the efforts necessary to perform this work.

This offer expires 90 days from 05-05-2026

City of Sacramento

by its duly authorized representative:

System Innovators,

by its duly authorized representative:

Terry Bechtel

Vice President, Operations

2026-05-07

Appendix A

The City of Sacramento is requesting that System Innovators build a new real-time interface to their new Clariti system for invoices, complaints, permits and fees. The interface will include:

- inovah will perform a Lookup to retrieve all records matching cashier-provided criteria. (one or more values)
- Lookup returns one or more payable records but does not initiate payment

Inquiry Endpoint

- For each selected record, inovah will perform an Inquiry to retrieve the specific information required for payment from Clariti.
- Inquiry returns payable details such as:
 - Amount due
 - Fee breakdown
 - Status indicators (e.g., payable / restricted)
- If multiple records are selected:
 - Multiple inquiries are executed
 - Results are combined to build a multi-payment
 - Payments may be satisfied with one or more tenders based on City-defined business rules

Update Endpoint

- Upon successful payment in Inovah, payment results will be returned to Clariti.
- Updates are expected to include confirmation details necessary for downstream processing and reconciliation.

Void

- Void functionality is considered in scope if required by the City's business processes.
- Final requirements and conditions for Void transactions will be defined jointly by the SI, City and Clariti.

Out-of-Scope

- Online payments are being handled by Paymentus and Clariti. Any updates to inovah will be sent via a Post Payment Process already in place for Accela.
- Appeal Process will be handled outside of inovah.
- Modifications to Accela import formats or workflows
- Escrow/account balance to be used as tender additional calls
- Other third-party changes

Statement of Work

Sacramento - Clariti Real Time Interface

Summary

This Statement of Work ("SOW") is subject to all terms and conditions of the existing "SOFTWARE IMPLEMENTATION SERVICES AGREEMENT" (the "Agreement") between **City of Sacramento** ("Organization"), and System Innovators, with an Effective Date of this document. The parties have entered into the Agreement for the provision of certain services and deliverables to Organization. All terms of the Agreement are incorporated herein by this reference. In the event of a conflict, the terms of the Agreement control over the terms of this SOW.

The Organization has requested the following professional services to implement iNovah®. System Innovators will use its extensive cashiering experience, knowledge and industry expertise to facilitate the implementation and delivery of software and services for the Organization as defined within this SOW. System Innovators will work closely with the Organization to manage the SOW and ensure success of the overall project.

The Services described in this SOW are based on a list of documented assumptions which have a direct correlation to project scope and duration. Changes to project scope and/or duration effectively alter this SOW and will be processed in accordance with the Project Change Control ("PCR") procedure as described herein.

iNovah Module Description	Component	Type
iNovah Integrations	Clariti	Real-Time Interface

Project Deliverables

Deliverable	Description
Project Kick-Off	Initial meeting to introduce project team members, objectives, and next steps
iNovah Project Plan	Implementation Project plan
Assessment Workshop	A series of discovery meetings to identify business requirements.
iNovah Integration Specification	Documented requirements for iNovah configuration and integration development
Development of iNovah Integrations	Delivery of in scope iNovah Integrations per specifications
Unit and System Testing	Integration and User Acceptance Testing

Deliverable	Description
Production Support	Remote support at production go-live

Timeline

Once the Organization has authorized this additional service, System Innovators will prepare a project schedule for this additional service. The project schedule will identify the project start date and end date as well as a timeline for all project milestones. The project schedule will be mutually monitored and managed by the Organization and System Innovators. Any variation to the dates and milestones defined in the project schedule must be mutually agreed upon by the Organization and System Innovators. Specific dates for this additional service will be defined in the project schedule.

Project Phase Activities

System Innovators and the Organization will be responsible for completing the following activities, as applicable.

Activity	Service Responsibility		
	System Innovators	Organization	Shared
Overall Project Management	X		
Overall Change Management	X		
Managing all System Innovators personnel assigned to the project	X		
Managing all Organization's personnel assigned to the project		X	
Managing Organization's Vendor resources; including escalation		X	
Coordinating schedule changes with the System Innovators project manager		X	
Managing the project schedule and reporting variances			X
Managing the activities assigned to Organization in this SOW		X	
Coordinating and participating in project related calls and meetings			X
Providing weekly progress reports to the Organization's Project Manager	X		

Reviewing and providing feedback on weekly progress reports			X
Managing the activities assigned to the Organization in this SOW		X	
Coordinating delivery of all Hardware and Software			X
Computer network connectivity between all personal computers, servers and other computers where interfaced applications reside		X	
Initiate Phase	System Innovators	Organization	Shared
Finalize System Innovators resource plan and deploy resources	X		
Finalize the Organization's resource plan and deploy resources		X	
Coordinate the project kick-off meeting	X		
Define project governance structure and align implementation methodology	X		
Share Organization's Project Plan, if applicable. (i.e. iNovah rollout in conjunction with EPR deployment)		X	
Create the iNovah Project Plan	X		
Conduct Kick-off Meeting			X
Schedule resources and manage logistics for Assessment Workshop per agreed upon schedule			X
Peripheral hardware, identified in this Agreement, delivered to Organization's facilities	X		
Analyze & Design Phase	System Innovators	Organization	Shared

Lead workshops to gather design decisions	X		
Ensure appropriate Organization representation in workshops		X	
Make key design decision decisions around process and configuration		X	
Coordinating delivery of all hardware and software with the Organization	X		
Verifying acceptance of all delivered products and services		X	
Coordinating the collection of information for tailoring, customization and configuration requirements		X	
Provide documented Acceptance Test Plan		X	
Reviewing an Acceptance Test Plan provided by the Organization	X		
Provide the business process requirements for iNovah solution		X	
Document Integration Specification	X		
Develop Phase	System Innovators	Organization	Shared
Modify software routines within iNovah to call interface routines included in the Integration specifications	X		
Input all parameters in iNovah maintenance tables and configuration files required to create the configuration			X
Provide Integration specifications for each integration	X		

Aid in design of callable Web Service(s) to retrieve and post the Organization's account information from XML based documents supplied by the Organization to support two-way interfaces	X		
Design and code other custom features for iNovah as defined in the Integration specifications	X		
Design and code callable interface API to retrieve the Organization's account information from existing applications		X	
Design and code callable interface to support post payment information to the Organization's accounts for batch interfaces		X	
Test Phase	System Innovators	Organization	Shared
Install all Organization provided hardware and software for testing and verify that the environment is working properly		X	
Work with the Organization during acceptance testing	X		
Verify that all Hardware and Software is properly installed at the Organization's facility and ready for acceptance testing	X		
Unit test each modification to iNovah	X		
Perform unit tests on the delivered version of iNovah to ensure that the system performs standard functions as expected and meets all requirements included in the Integration specifications	X		
Coordinate testing activities with the Organization's personnel and third party contractors/vendors		X	
Perform all tests documented in the Acceptance Test Plan		X	
Assist the Organization in performing the Acceptance Test Plan	X		

Document and manage any deficiencies found during acceptance testing		X	
Maintain issues list for all iNovah defects reported during the testing phase	X		
Review the results of acceptance testing and correct documented deficiencies	X		
Retest corrected defects		X	
Acceptance of Solution		X	
Deploy Phase	System Innovators	Organization	Shared
Update the Integration specifications to reflect modifications to requirements and/or configurations	X		
Finalize the production roll out schedule		X	
Install all computer hardware and software for the production		X	
Verify that all hardware, software and networks are working properly		X	
Assist the Organization in troubleshooting installation problems related to installing iNovah in production environment	X		
Ensure that all staff members are appropriately trained		X	
Verify acceptance of first production use of iNovah		X	
Assist with any support or retraining issues that arise	X		
Assist the Organization in monitoring the performance of iNovah and identifying any deficiencies	X		

Transition Phase	System Innovators	Organization	Shared
Transition project to System Innovators Client Services Team	X		
Document any problems that occur and provide information on any deficiencies in iNovah to System Innovators Client Services		X	
Conduct Lessons Learned and Project Closeout Activities			X

Assumptions

1. The Organization acknowledges this project is fixed in scope and duration as defined in **Appendix A**. Modifications to the scope, duration, and other terms of this agreement will be processed in accordance with the Project Change Control procedure as described herein.
2. The Organization will employ the human resources necessary to ensure the project is successfully completed on schedule. These resources will include
 - Project Manager who has the authority to represent the Organization in all aspects of this agreement
 - Subject matter experts who can define the requirements and business rules that dictate the design of the customizations
 - Technical staff who can provide System Innovators with support for the Organization's computing environment (personal computers, servers, network, software, and so forth) as well as technical support for third-party systems that interface with System Innovators' software.
3. The Organization or Organization's delegate will produce a tested and documented application programming interface (API) to any application to be interfaced with System Innovator products and/or software.
4. The Organization will provide a fully functional test system including hardware, software, documentation and any system software and/or upgrades necessary to complete acceptance testing.
5. System Innovators' pricing does not include the cost for changes to 3rd party systems.
6. Travel to the Organization location will be billed as incurred.
7. Readiness of Clariti system for the interface. It is assumed that it will be largely implemented for the assessment and requirements to be executed on the System Innovators side.
8. Detailed requirements from Clariti and the City must be defined for the inovah specification to be complete and SI Development to start.

Project Change Control Process

A defined process for controlling scope issues and change requests must be in place and followed to help ensure that proper visibility is given to change requests and any associated approvals required.

Items that modify the scope of work will be reviewed by the System Innovators Project Manager to determine if there is an impact to the cost or timelines for this project. Out of scope services will be charged as outlined in Professional Services Rate Card listed within this SOW. Any change must be documented in a mutually executed Change Control Work Order.

The following change control procedure shall apply to this SOW:

1. Project Resource(s) identify new or change in requirements and escalate to the respective Project Manager.
2. System Innovators and Organization's Project Managers work together to gather required information to determine if a Change Order is required.
3. Project Managers determine if a Change Order is valid
 - 3.1. If no, Project Resources will be informed, and the change management process ends.
 - 3.2. If yes, System Innovators Project Manager will facilitate the creation of the Change Order and promptly provide it to the Organization's Project Manager.
4. Organization Project Manager will review the proposed Change Order, with Organization resources, for content and completeness, and accuracy.
5. If proposed Change Order requires changes, Organization's Project Manager and System Innovators Project Manager will collaborate to consider necessary modifications.
6. Change Orders must be reviewed and approved by the Contract Level of the Project Steering Team.
7. If approved by Project Steering Team, the appropriate authorized Organization signatory may sign the Change Order; provided that notwithstanding anything to the contrary in this SOW, no Change Order shall bind the Organization unless approved expressly and in writing by the authorized Organization signatory or his/her designee.
8. The Organization Project Manager will inform the System Innovators Project Manager and process required paperwork for any executed Change Order.
9. The Organization Project Manager and System Innovators Project Manager will perform administrative project tasks associated to the project and inform the Project Resources accordingly.

Deliverable Acceptance Process

All completed project deliverables will be reviewed by the System Innovators Project Manager and uploaded to the designated project repository/network folder. The System Innovators Project Manager shall notify the Organization Project Manager.

Upon System Innovators' submission of a completed Deliverable, the Organization shall review the Deliverable and approve it or notify System Innovators of the discrepancies and errors found in the Deliverable, within ten (10) business days, unless otherwise mutually agreed to in writing by the Project Managers of both parties. The Organization will have ten (10) business days after submission to review the Business Requirements and Design documents. If the Organization does not provide System Innovators with discrepancies or approval within such ten (10) business day period, then such Deliverables will be deemed accepted.

If the Organization requires revisions to the submitted Deliverables, all the required changes shall be collected and consolidated by the Organization Project Manager into one document and provided to the System Innovators Project Manager within the stipulated time period. System Innovators shall then revise the Deliverable or

satisfactorily explain the reasons for Accepting the Deliverable “as is.” Upon receipt of the revised Deliverable or receiving a satisfactory explanation for the deficiencies identified, The Organization’s Project Manager and the System Innovators’ Project Manager will mutually agree on the timeframe for acceptance based on the effort required to adequately accept the revised Deliverable. If the Organization does not provide approval or feedback within stipulated time period, the outstanding Deliverable will be raised to the Project Steering Committee as an Issue and follow the Issue Resolution process defined in this SOW. The Deliverable will be deemed as “Unaccepted”, and System Innovators will not proceed with the next phase.

Project Phase Acceptance

Once the Acceptance of all pre-Go Live Deliverables associated with a particular Release of the project has occurred, the Organization shall begin using the Software Components in that Phase for Productive Use ("Go Live Date"). The project will be considered "Accepted" within 30 days of Go-Live; or when reported and logged Severity 1 or Severity 2 defects have been resolved. Severity 3 will be transitioned to Client Services via the Ticket Management System (TeamSupport).

Severity Definition	Description
Severity 1 - Urgent	An issue that completely blocks the use of the product for all users is a critical issue. An example would be the iNovah Web Portal is unavailable for all users. Or in some other cases, when the issue blocks the ability to go-live with new functionality.
Severity 2 - High	A severe issue occurs when the functionality is functioning grossly away from the expectations or not doing what it should be doing. An example could be: The inability to void transactions within the entire system. When severe, multiple, if not all, users are impacted, however, the system overall is not down and has some operations available.
Severity 3 - Medium	A moderate issue occurs when the product or application exhibits some unnatural behavior, however, the functionality as a whole is not impacted. For example, in the inability to void transactions from above, a moderate issue would occur when the inability to void a transaction only affects one user.
Severity 4 - Low	A minor issue occurs when there is almost no impact to the functionality, but it is still a valid issue that should be corrected. Examples of this could include spelling mistakes in error messages printed to user or issues to enhance the functionality of the product/feature.

Issue Resolution Process

Certain technical and/or project-related problems or issues may arise, and that such matters shall be brought to the Organization's attention. Problems or issues shall normally be reported in regular status reports or in-person meetings. However, there may be instances where the severity of the problem justifies escalated reporting.

To this extent, System Innovator's Project Manager will escalate the problem or issue to the Organization's Project Manager. The Organization's Project Manager will determine if the problem or issue must be escalated to the Project Sponsor or the Project Steering Team. The System Innovators' Project Sponsor Manager has the appropriate authority to represent System Innovators for all contract-related issues. The proposed escalation levels for the Organization's and System Innovators include, but are not limited to, the following:

System Innovators

1. First level, the System Innovators Project Team.
2. Second level, the System Innovators Project Manager/Business Analyst.
3. Third level, the System Innovators Vice President of Operations.
4. Fourth level, the System Innovators Executive Vice President.

Organization

1. First level, the Organization's Project Team.
2. Second level, the Organization's Project Manager.
3. Third level, the Organization's Project Sponsor.
4. Fourth level, Organization's Project Steering Team

Professional Services Rate Card

Role	Rate
Project Manager	\$250.00 / Hour
Software Developer	\$250.00 / Hour
Application Consultant	\$225.00 / Hour
Trainer	\$225.00 / Hour

Executed as of the day and year first above stated.

CITY OF SACRAMENTO
A Municipal Corporation

By: _____

Print name: _____

Title: _____

By: _____

Print name: _____

Title: _____

APPROVED AS TO FORM:



Title: Angel Solis
Senior Deputy City Attorney

ATTEST:

City Clerk

CONTRACTOR
System Innovators

NAME OF FIRM

By: Terry Bechtel
Terry Bechtel (Aug 10, 2026 20:48:28 EDT)

Print name: Terry Bechtel

Title: Executive Vice President