



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#16-0900

9-7-16
PUR-14
REVISED CAM

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager *L.R. Feldman*

DATE: September 7, 2016

TITLE: **REVISED PUR-14** - Motion to Approve Contracts for Purchase of
Enterprise Resource Planning System Solution and Professional Services
– Ciber, Inc. and Infor (US), Inc.- \$6,562,618 (estimated twelve-year cost)

Recommendation

It is recommended that the City Commission approve a twelve-year contract for the purchase of an Enterprise Resource Planning (ERP) software system solution and associated professional services with Ciber, Inc. (CI) (implementer), and contract with Infor (US), Inc. (Infor) (software and support provider) including software license, support and escrow agreements with Infor, in substantially the forms attached; and authorize the City Manager to approve the task orders and two, one-year renewal options, contingent upon appropriation of funds in the total amount of \$6,562,618.

Background

During negotiations, several contract enhancements were added to benefit the City including:

- A retainage of fees per task order
- Service credits for system outages
- Twelve years of support rather than ten years

Additional third-party software components have been proposed as part of the solution to meet City requirements. Those license and support agreements are with Emphasys Software, Finite Matters, Ltd., MHC Software, Inc., and Business Software, Inc. An umbrella Licensing Terms and Conditions Agreement has been prepared to align third party software terms with those agreed to by Infor. CI has certified that all third party software providers will adhere to the licensing terms and conditions as set forth in Exhibit 4.

All task orders will be collaboratively developed and agreed upon between the City and CI for the rollout of successive project phases as approved by the City Manager or accordance with Section 2-127, Code Ordinances of the City of Fort Lauderdale.

The fixed cost pricing of the contract with CI for the Implementation Services of the

solution is as follows:

Services	Costs
Ciber Infor Services	\$999,880.00
Other Services	\$1,011,650.00
Ciber SymPro Services	\$9,600.00
Interface Development	\$247,240.00
Train-the-Trainer Training	\$72,670.00
Data Conversion	\$59,280.00
Estimated Travel and Lodging	\$362,500.00
Total	\$2,762,820.00

The costs associated with the agreements with Infor, who will provide the Core Software for the Enterprise Resources Planning Solution and Escrow Services for the Infor components and the other noted third-party software companies is \$1,048,803. These one-time expenses include the following software and maintenance costs:

Software	Cost	Annual Maintenance
Infor On Premise Software	\$520,501.00	\$109,379.00
Infor SaaS (Subscription Software Service)*	\$76,800	\$76,800.00
Infor (Optional)	\$100,724	\$22,159.00
Infor Escrow		\$244.00
Emphasys SymPro	\$79,000	\$15,000.00
Finite Matters LTD (FML)	\$84,338	\$10,500.00
MHC Software, Inc (MCH)	\$187,440	\$33,750.00
Business Software Inc. (BSI) (costs included in Infor OnPremise above)		\$6,768.00
Total	\$1,048,803.00	\$274,600.00

*Subscription Software Service fees begin in month twelve after contract is awarded.

In addition to the above one-time expenses, additional expenses are anticipated. These costs were included in the project budget estimate and will be brought back to the City Commission for approval at a future date and include items such as:

Additional Expenses	Estimated Cost
Infrastructure required to run ERP on premise. Hardware (Servers, Storage, etc.) Software (Database, backup, monitoring tools, etc.)	\$750,000
Additional Training, System Forms and/or Interface Development and Conversion needs as determined by the City	\$100,000
Disaster Recovery Planning/Program	\$150,000
Temporary Staffing	\$500,000

Following implementation, annual support costs to maintain the system will be \$274,600. The first year of maintenance is included in the project budget and will need to be funded in the IT operating budget in subsequent years.

We anticipate that this vendor will be adding new software modules in the future that may be in the best interest of the City to purchase. In the event that this occurs, we will bring an agenda item back to the Commission to make such purchases.

The City's current financial management system, FAMIS, was implemented in 1969, and other core financial systems, such as purchasing, budget preparation, payroll and others, are all in need of replacement. Each of these separate systems consists of multiple operating systems and databases which operate on hardware that is obsolete and unsupported. Most of the current core financial systems are no longer supported by the vendors so we must rely on City staff expertise to maintain, troubleshoot, and fix issues.

The current software applications do not meet financial reporting or other operational needs of the City. There is also a lack of integration between the various software applications that requires duplication of efforts and data across systems. The implementation of a modern ERP System will allow the City to improve and standardize existing business practices, and implement a uniform Chart of Accounts as required by the State of Florida. The ERP system will lead to decision-making ability with quantitatively measurable parameters, so that the resulting decisions can support the City's operational processes and goals.

The background for the ERP solicitation and vendor selection process included the following:

- June 2013 - Request for Proposals (RFP) 735-11244 was released for Consulting Services for an ERP system.
- October 2013 - Awarded contract to Plante & Moran, PLLC as the City's consultant for the ERP Project. Plante & Moran performed a needs assessment and assisted in the development of the RFP for the City's ERP system.

- October 2013 through August 2014 - City employees at all levels of the organization were consulted as subject matter experts through "Technical User Groups" to discuss current challenges and determine requirements of the new system.
- August 2014 – RFP 742-11378 was advertised for an ERP system and professional services.
- October 2014 - The RFP closed and five firms submitted proposals: Ciber Inc., SunGard Public Sector, Tyler Technologies Inc., TriBridge Holdings LLC, and Techno Brain.
- October 2014 - The evaluation committee consisting of Shelley Gialluca, Senior Technology Strategist; Kristin Tigner, Deputy Director of Human Resources; Linda Logan-Short, CFO/Deputy Director of Finance; Laura Reece, Assistant Budget Manager; and Richard Goodnight, Senior Procurement Specialist, were selected to evaluate the proposals and rank the firms according to the evaluation criteria.
- January 2015 - The evaluation committee shortlisted three firms for on-site software demonstrations (conducted March 2015 – April 2015). Each firm was allotted one week of demonstration time. City employees from all levels of the organization attended the demonstrations and provided feedback to the evaluation committee.
- June 2015 - Best and final offers (BAFO) were received from the three proposers. The committee conducted additional due diligence, rescored the proposals, and ranked the firms according to the evaluation criteria, as shown in the table below. The firms in order of ranking are Ciber Inc., Tyler Technologies Inc., and SunGard Public Sector.

		CIBER, Inc.	TYLER TECHNOLOGIES, Inc.	SUNGARD Public Sector
Evaluation Criteria	Weight	Rank	Rank	Rank
Functional & Technical Requirements	35%	1	2	3
General Vendor	10%	1	2	3
Implementation Requirements	10%	1	2	3
Service and Support	15%	1	2	3
Investments and Costs	30%	2	3	1
OVERALL RANKING	100%	1	2	3

The proposals from the following respondents are available for review in the

Procurement Division Office:

- SunGard Public Sector,
- Tyler Technologies Inc.,
- TriBridge Holdings LLC
- Techno Brain

Resource Impact

There is no current fiscal year impact to the City. There will be a fiscal impact to the City in the estimated amount \$2,193,803 for FY2017 from Community Investment Plan Project P11937 – Enterprise Resource Planning (ERP). Additional expenditures are contingent upon approval and appropriation of funds.

<u>Funds available as of October 1, 2016</u>					
<u>ACCOUNT NUMBER</u>	<u>INDEX NAME (Program)</u>	<u>CHARACTER CODE/ SUB- OBJECT NAME</u>	<u>AMENDED BUDGET (Character)</u>	<u>AVAILABLE BALANCE (Character)</u>	<u>AMOUNT</u>
<u>331-P11937.331</u>	<u>Enterprise Resource Planning (ERP)</u>	<u>Capital/ Capital Outlay</u>	<u>\$1,455,981</u>	<u>\$1,434,326</u>	<u>\$1,400,000</u>
<u>581-P11937.581</u>	<u>Enterprise Resource Planning (ERP)</u>	<u>Capital/ Capital Outlay</u>	<u>\$5,379,726</u>	<u>\$5,246,063</u>	<u>\$4,186,223</u>
<u>TOTAL AMOUNT ►</u>					<u>\$5,586,223</u>

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 11: Be a well-trained, innovative, and neighbor-centric workforce that builds community.
- Objective 4: Provide a reliable and progressive technology infrastructure

This item advances the *Fast Forward Fort Lauderdale Vision Plan 2035: We are United.*

Attachments

Exhibit 1 – Solicitation

Exhibit 2 – Final Rankings

Exhibit 3 – Ciber Proposal

Exhibit 4 – Ciber Agreement - Final

Exhibit 5 – Infor Agreement - Final

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