SUBJECT: ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE AS A SERVICE SOLUTION

BID #: ESC-0549-16 **OPEN DATE: 12/14/2016**

COMPETITIVE SEALED PROPOSAL EVALUATION COMMITTEE

KIND AND BASIS OF CONTRACT: Service Contract

AGENCY: Information Technologies Division

BASIS OF AWARD: Highest Scoring Bidder Based On Evaluation Criteria

NUMBER OF BIDS INVITED: (23) NUMBER RECEIVED: (8) OTHER: (1)

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
Recommend approval to increase the award with Applications Software Technology, LLC (AST) in the amount of $28,800.00 for project change order P1.CR-01 – Credit Card Vendor Payments as described in the attached contract change request. The revised total contract expenditure not-to-exceed $24,326,151.20.

Funding to be encumbered from account AFIT53A-069509-ITEF01-02 and executed by formal contract amendment (#10420) through the Office of General Counsel.

ATTACHMENTS: Recommendation Memo, Change Order P1.CR-01 Request, Previous Awards

BUYER: _____ **RESPECTFULLY SUBMITTED** _____
CHELSEY FLEMING GREGORY PEASE, CHIEF
PROCUREMENT DIVISION

CONCURRENCE BY: **Kenneth Lathrop, Chief of Information Technologies/CIO**

(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF CSPEC COMMITTEE ON RECOMMENDATIONS ABOVE

MEMBERS APPROVING _____ MEMBERS DISAPPROVING _____ DATE: _____

_____ _____ OTHER: _____

_____ _____

_____ _____

_____ _____

_____ _____

ACTION OF AWARDING AUTHORITY DATE _____

APPROVED _____ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

City of Jacksonville, Florida

Lenny Curry, Mayor

Information Technologies Division
Ed Ball Building
214 N. Hogan Street, Suite 900
Jacksonville, Florida 32202

ONE CITY. ONE JACKSONVILLE.

December 4, 2018

12/05/18 09:20:51
Procurement Division

TO: Gregory W. Pease
Chief of Procurement

VIA: Kenneth Lathrop *Kenneth E. Lathrop*
Chief of Information Technologies/CIO

JP 12/4/18

FROM: Michael Turner *Michael Turner*
PMO Manager, Information Technologies Division

SUBJECT: ESC-0549-16 – Enterprise Resource Planning (ERP), Software as a Service (SaaS) Solution

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On March 15, 2018, the City awarded Applications Software Technology, LLC (AST)/Oracle for the use of the Oracle SaaS ERP solution and for the services required to implement the Oracle SaaS ERP solution. The following contracts / agreements with Oracle and AST were executed on March 29, 2018:

- Master Services Contract with AST (Exhibit 1): The Master Services Contract specifies the professional services required to implement the Oracle SaaS ERP solution (e.g. the service applications listed in the Ordering Document).
- Cloud Services Agreement with Oracle (Exhibit 2): This document, and the negotiated Amendment (Exhibit 2A), governs the City's use of the Oracle SaaS ERP products described in the Ordering Document and the following Oracle policy documents:
    - Oracle Cloud Hosting and Delivery Policies (Exhibit 2B)
    - Data Processing Agreement (Exhibit 2C)
    - Oracle Services Privacy Policy (Exhibit 2D)
    - Service Specifications (Exhibit 2E)
- Ordering Document with AST (Exhibit 3): This document lists the ERP service applications (e.g. software modules) that the City is purchasing through this subscription agreement (with AST being a certified re-seller of Oracle cloud services).

The contracts were established with the not to exceed amount of $23,063,150.00 for implementation services and $1,234,201.20 for SaaS subscription services, for a total maximum indebtedness of $24,297,351.20.

The Information Technologies Division requests a change order to increase the award ESC-0549-16 in the amount of $28,800. This project change order, P1.CR-01 Credit Card Vendor Payments, will provide the implementation services from AST to create a new payment method in the Oracle Cloud ERP system for credit card vendor payments. This is a non-standard supported process in the Oracle Cloud system and was not identified as an original requirement in the RFP. The City is currently utilizing this service in the legacy FAMIS system. This process increases a float of payments made to vendors as well as provides a reduction in handling check payments. This change order request, once approved will require an amendment to the Master Services Contract with AST (Exhibit 1).

Not to Exceed Amount:

AST – Implementation Services –	AFIT53A – 069509, ITEF01-02	$ 23,091,950.00
AST – Software subscription -	AFIT53A – 069427, ITEF01-02	$ 1,234,201.20
Total Maximum Indebtedness		$ 24,326,151.20

Attachments:
Project Change Order Request - P1.CR-01 - Credit Card Vendor Payments

CC:
Marlene Russell, Director of Organizational Effectiveness

City of Jacksonville Cloud ERP Project Change Request

Requestor : Michael Turner	**Request Date** : *27-Sep-2018*
Change # : *P1.CR-01 – Credit Card Vendor Payments*	
Priority : *Medium*	

Functional Area: Accounts Payable

Description of Change:

The City has entered into an agreement with Wells Fargo bank to send payments to certain COJ vendors via a merchant "credit card" process. This is not a standard supported process in Oracle Cloud

Reason for Change:

There is an increase in float of payments made and a reduction in handling of check payments and an increase in interest on money held by the City.

Recommendation Solution:

Create a new payment method in Oracle. This will allow the City to take advantage of the benefits of the "credit card" payment process.

Schedule Impact:

None. Custom interface and payment method will be produced and delivered without schedule impact and delivered in phase 1

Cost Impact	The total effort for design, build, unit test, support client testing, document and deploy is a fixed bid of 160 hours. While some hours will be completed on-site the offered total fixed amount is based on remote effort. The total fee would be $28,800

Approvals:

Name	Title	Signature	Date Approved
Jeff Kost	AST Project Sponsor	Jeff Kost	10/24/18

City of Jacksonville Cloud ERP Project Change Request

Payment Schedule:

Task #	Description	Due Date	Total Amount	Retention Amount	Net Amount	Acceptance Criteria
CR-01.1	Interface Design Complete	3/1/19	$7,200	$720	$6,480	Interface design document approved by the business owner
CR-01.2	Acceptance Complete	7/1/19	$21,600	$2,160	$ 19,440	Development Completed, Interface testing completed and accepted in the UAT event for phase 1
CR-01.3	Phase 1 Retention Release	1/17/20	0	0	$2,880	Release of retention for Phase 1

Assumptions:

1. The solution will be accomplished by creating a new payment method.
2. A new custom payment file format will be developed similar to the ACH file format and in accordance with the specifications provided by Wells Fargo in September 2018.
3. No configuration of or use of the Oracle payment gateway is required and it will not be configured for this solution.
4. Any substantial changes to the design from the current Wells Fargo file format may require revision to the change request.
5. Substantially all work will be performed remote so the contract rate of $180/hour was used for the estimate.
6. Requirements for substantial on-site presence for this effort will require a change to the fees. Such a change will require COJ and AST PM review prior to executing.
7. Interface to be transmitted in a similar manner to the ACH Payment file and/or Positive Pay file to Wells Fargo using the same SOA design

considerations.

8. This is a fixed fee bid for services. Substantial changes in the assumptions or design after the design document is approved may result in the need for an additional change order and may require additional fees.
9. Effort includes time for the ERP development and SOA development teams. The breakdown of estimated effort is detailed below.

Effort estimate:

Design/Analysis (Wells Fargo layout analysis, review meetings, Q&A communications)	**Build & Unit Test** (Development time, test case creation, unit test execution, interaction with Wells Fargo test environment)	**Document** (Design document and Completed Build Document)	**Test** (SIT/UAT Preparations and execution)	**Deploy** (Migrate and validate readiness within COJ and with Wells Fargo)	**Support** (Post go-live)
8	**100**	**16**	**24**	**8**	**4**

SUBJECT: ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE AS A SERVICE SOLUTION

BID #: ESC-0549-16 OPEN DATE: 12/14/2016

COMPETITIVE SEALED PROPOSAL EVALUATION COMMITTEE

KIND AND BASIS OF CONTRACT: Service Contract

AGENCY: Information Technologies Division

BASIS OF AWARD: Highest Scoring Bidder Based On Evaluation Criteria

NUMBER OF BIDS INVITED: (23) NUMBER RECEIVED: (8) OTHER: (1)

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
On October 26, 2017 approval was granted to enter into negotiations with the highest ranked firm, Applications Software Technology, LLC (AST)/Oracle.

As a result of the negotiations, recommend approval of award to Applications Software Technology, LLC (AST) in the amount of $23,063,150.00, for a period of service five (5) years from contract execution with renewal options up to three (3) additional years. Also, recommend approval of one (1) year subscription services, with the option to renew for up to seven (7) additional years in the amount of $1,234,201.20. The total contract maximum indebtedness not-to-exceed $24,297,351.20.

To be encumbered as follows for current fiscal year:
AFIT53A-069509-ITEF01-02 - $3,151,800.00
AFIT53A-069427-ITEF01-02 - $1,234,201.20

ATTACHMENTS: Recommendation Memo, Exhibits 1 – 3B, Previous Awards

BUYER: CHELSEY FLEMING

RESPECTFULLY SUBMITTED: GREGORY PEASE, CHIEF PROCUREMENT DIVISION

CONCURRENCE BY: Marlene Russell, Director of Organizational Effectiveness

(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF CSPEC COMMITTEE ON RECOMMENDATIONS ABOVE

MEMBERS APPROVING 5 MEMBERS DISAPPROVING Ø DATE: 3/15/18

OTHER:

ACTION OF AWARDING AUTHORITY DATE 3/15/18

APPROVED DISAPPROVED

OTHER

SIGNATURE OF AUTHENTICATION

Sam E. Mousa
Chief Administrative Officer
For: Mayor Lenny Curry
Under Authority of:
Executive Order No. 2015-05

City of Jacksonville, Florida

Lenny Curry, Mayor

City Hall at St. James
117 W. Duval St.
Jacksonville, FL 32202
(904) 630-CITY
www.coj.net

ONE CITY. ONE JACKSONVILLE

March 12, 2018

TO: Gregory W. Pease
Chief of Procurement

FROM: Marlene Russell
Director Organizational Effectiveness

SUBJECT: ESC-0549-16 – Enterprise Resource Planning (ERP), Software as a Service (SaaS) Solution

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The City entered into fee and contract negotiations with the number one ranked firm, Applications Software Technology, LLC (AST)/Oracle for the use of the proposed Oracle SaaS ERP solution and for the services required to implement the proposed Oracle SaaS ERP solution. Those contract negotiations resulted in the following contracts / agreements with Oracle and AST:

- Master Services Contract with AST (Exhibit 1): The Master Services Contract specifies the professional services required to implement the Oracle SaaS ERP solution (e.g. the service applications listed in the Ordering Document). The term of this agreement is for five (5) years with an option to renew for up to three (3) additional years. The maximum indebtedness for this contract is $23,063,150. The FY18 contract amount is $3,151,800.00. This contract has two (2) attachments:
    - Statement of Work (Exhibit 1A): Defines all the services AST will provide to deliver a fully functional Financial, Purchasing, Budget Development, Human Resources, and Payroll system to the City.
    - Payment Schedule (Exhibit 1B: Lists all payment amounts for deliverables by estimated completion date for all project phases.
- Cloud Services Agreement with Oracle (Exhibit 2): This document, and the negotiated Amendment (Exhibit 2A), governs the City's use of the Oracle SaaS ERP products described in the Ordering Document. The term of this agreement is for eight (8) years with the option to renew for up to three (3) additional years. This agreement also references the following Oracle policy documents:
    - Oracle Cloud Hosting and Delivery Policies (Exhibit 2B): Describes Oracle's policies for data security, service level metrics, and define City access to Oracle service level performance metrics and Oracle support.

- Data Processing Agreement (Exhibit 2C): Defines personal data and describes Oracle's responsibilities for processing and handling of City personal data.
- Oracle Services Privacy Policy (Exhibit 2D): Defines Oracle's privacy policies for both Services Data (data that resides on Oracle, Customer, or Third-party systems to which Oracle is provided access) and customer (City) information
- Service Specifications (Exhibit 2E): Specifications for each Oracle product (e.g. service application) that identifies what can be accessed by each user (along with the storage requirements).

- Ordering Document with AST (Exhibit 3): This document lists the ERP service applications (e.g. software modules) that the City is purchasing through this subscription agreement (with AST being a certified re-seller of Oracle cloud services). The term of this agreement is for one (1) year with the option to renew for up to seven (7) additional years. Attachment C (Exhibit 3A) of the Ordering Document contains the negotiated pricing for the service applications for the initial one year term. The maximum indebtedness for this contract is $1,234,201.20 (for FY18). The maximum indebtedness for this contract will increase each year the City exercises the option to continue using the Oracle SaaS ERP solution by the amount specified for the Option Years within the agreement.

Accordingly, this is to recommend approval of award to Applications Software Technology, LLC (AST) as a result of negotiations for Enterprise Resource Planning (ERP) for a period of 5 years from execution of the contract in the not to exceed amount of $23,063,150.00, with renewal options of up to three (3) additional years. The encumbrance for current fiscal year is from the date of execution of contract through September 30, 2018 for an amount of $3,151,800.00. Also, recommend approval for one (1) year subscription services, with the option to renew for up to seven (7) additional years, for the software to Applications Software Technology, LLC (AST) for a total not to exceed $1,234,201.20, for a total maximum indebtedness of $24,297,351.20.

To be encumbered as follows for current fiscal year:

AST – Implementation Services – AFIT53A – 069509, ITEF01-02	$ 3,151,800.00
AST – Software subscription - AFIT53A – 069427, ITEF01-02	$ 1,234,201.20
Total Not to exceed (NTE) for FY18	$ 4,386,001.20

Attachments:

Exhibit 1	Master Services Contract
Exhibit 1A	Statement of Work
Exhibit 1B	Payment Schedule
Exhibit 2	Cloud Services Agreement
Exhibit 2A	Cloud Services Agreement Amendment
Exhibit 2B	Oracle Cloud Hosting and Delivery Policies
Exhibit 2C	Data Processing Agreement
Exhibit 2D	Oracle Services Privacy Policy
Exhibit 2E	Service Specifications
Exhibit 3	Ordering Document
Exhibit 3A	Attachment C of the Ordering Document – Software Pay Schedule
Exhibit 3B	Oracle Business Associate Agreement (BAA)

SUBJECT: ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE AS A SERVICE SOLUTION

BID #: ESC-0549-16 **OPEN DATE: 12/14/2016**

COMPETITIVE SEALED PROPOSAL EVALUATION COMMITTEE

KIND AND BASIS OF CONTRACT: Service Contract

AGENCY: Information Technologies Division

BASIS OF AWARD: Highest Scoring Bidder Based On Evaluation Criteria

NUMBER OF BIDS INVITED: (23) NUMBER RECEIVED: (8) OTHER: (1)

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
On December 14, 2016, the City of Jacksonville, Procurement Division received eight (8) valid bid responses for subject bid. On May 4, 2017 approval was granted for Software Demonstrations/ Oral Interviews with the top four (4) scoring vendors: (1) Applications Software Technology Corporation (AST), (2) IBM Corporation, (3) Infor Public Sector, Inc., and (4) CGI Technologies and Solutions, Inc. The evaluation of the responses and Software Demonstrations/ Oral Interviews has been completed and scored as follows:

VENDOR / SOFTWARE PRODUCT	RESPONSE EVALUATION SCORE	DEMONSTRATION SCORE	TOTAL SCORE
Applications Software Technology Corporation (AST) / Oracle	890	875	1765
IBM Corporation / Workday	775	841	1616
CGI Technologies and Solutions, Inc. / CGI Advantage 360	765	822	1587
Infor Public Sector, Inc. / Infor Public Sector, Inc.	725	826	1551

Recommend approval to move forward with contract negotiations with the highest scoring vendor, Applications Software Technology Corporation (AST).

ATTACHMENTS: Recommendation Memo; Scoring Sheet; Evaluation Matrix, Previous Award

BUYER: _____ CHELSEY FLEMING

RESPECTFULLY SUBMITTED _____ GREGORY PEASE, CHIEF PROCUREMENT DIVISION

CONCURRENCE BY: **Marlene Russell, Director of Organizational Effectiveness**

(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF CSPEC COMMITTEE ON RECOMMENDATIONS ABOVE

MEMBERS APPROVING 5 MEMBERS DISAPPROVING Ø DATE: 10/26/17

Marlene Russell

Teresa R. Eubanks

OTHER: _____

ACTION OF AWARDING AUTHORITY DATE 10/26/17

APPROVED _____ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

Sam E. Mousa
Chief Administrative Officer
For: Mayor Lenny Curry
Under Authority of:
Executive Order No. 2015-05

SUBJECT: ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE AS A SERVICE SOLUTION

BID #: ESC-0549-16 OPEN DATE: 12/14/2016

COMPETITIVE SEALED PROPOSAL EVALUATION COMMITTEE

KIND AND BASIS OF CONTRACT: Service Contract

AGENCY: Information Technologies Division

BASIS OF AWARD: Highest Scoring Bidder Based On Evaluation Criteria

NUMBER OF BIDS INVITED: (23) NUMBER RECEIVED: (8) OTHER: (1)

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
On December 14, 2016, the City of Jacksonville, Procurement Division received eight (8) responses for subject bid. The Evaluation Committee has completed their review and has recommend approval to move forward with Software Demonstrations/ Oral Interviews with the top four (4) scoring vendors, which are as follows. The ranking of first, second, third and fourth designates the order of qualification of these firms.

1. Applications Software Technology Corporation (AST)
2. IBM Corporation
3. Infor Public Sector, Inc.
4. CGI Technologies and Solutions, Inc.

ATTACHMENTS: Recommendation Memo; Scoring Sheet; Evaluation Matrix

BUYER: _____ CHELSEY RENFROE

RESPECTFULLY SUBMITTED _____ GREGORY PEASE, CHIEF PROCUREMENT DIVISION

CONCURRENCE BY: Marlene Russell, Director of Organizational Effectiveness

(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF CSPEC COMMITTEE ON RECOMMENDATIONS ABOVE

MEMBERS APPROVING 5 MEMBERS DISAPPROVING Ø DATE: 5/04/17

OTHER: _____

ACTION OF AWARDING AUTHORITY DATE 5/04/17

APPROVED _____ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

Sam E. Mousa
Chief Administrative Officer
For: Mayor Lenny Curry
Under Authority of:
Executive Order No. 2015-05