McALLEN
PUBLIC UTILITY

**NOTICE OF A JOINT MEETING TO BE HELD BY THE
McALLEN PUBLIC UTILITY BOARD OF TRUSTEES
AND THE McALLEN BOARD OF COMMISSIONERS**

DATE: Monday, November 28, 2022

TIME: 4:00 PM

PLACE: City Commission Chambers, 3rd Floor
1300 Houston Avenue
McAllen, Texas 78501

VIRTUAL: Zoom.US/Join
https://zoom.us/j/5087553077?pwd=TjduYjR4U2l3cWU1NjlsZzlsM2hJUT09

Meeting ID: 508 755 3077
Passcode: 878576

Members of the public that wish to listen to the meeting can log in to the virtual Zoom meeting or dial 1 346 248 7799 US (Houston) Meeting ID: 508 755 3077 Passcode: 878576.

Individuals that wish to participate in the meeting or comment on an agenda item should call 956-681-1630 by 3:30 PM. Any individual dialing in acknowledges that his or her phone number may be visible to the public.

JOINT MEETING WITH McALLEN BOARD OF COMMISSIONERS:

CALL TO ORDER

1. Enterprise Resource Planning's (ERP) Financial, Utility, and Work Order Management solution replacement through Omnia cooperative purchase agreement.

ADJOURNMENT

CERTIFICATION

I, the Undersigned authority, do hereby certify that the attached agenda of meeting of the McAllen Public Utility Board of Trustees is a true and correct copy and that I posted a true and correct copy of said notice on the bulletin board in the Municipal Building, a place convenient and readily accessible to the general public at all times, and said Notice was posted on the **25rd day** of **November, 2022** at **3:00 PM** and will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.

Juan J. Rodriguez
Interim Utility Board Secretary

CITY OF McALLEN

<u>**ITEM SUMMARY**</u>

BOARD: City Commission	AGENDA ITEM	1.A.
	DATE SUBMITTED	11/21/2022
	MEETING DATE	11/28/2022

1. Agenda Item: <u>Enterprise Resource Planning's (ERP) Financial, Utility, and Work Order Management solution replacement through Omnia cooperative purchase agreement.</u>

2. Party Making Request: Robert Acosta

3. Applicant: Robert Acosta

4. Nature of Request: McAllen and PUB's current financial, utility billing, and work order management software solutions are: over 13 years old, inefficient, not meeting the City's needs, and are in the final stages of being sunset. Current software solutions are reaching a state where maintenance and support are ending, which is forcing the City to replace these applications.

   Over the past eleven months, 80+ city employees have spent over 14,266 hours planning and identifying various software solutions to meet the city's current and future growth. Narrowing the product selection from eighteen initial solutions down to two finalists and ultimately selecting the solution of choice that offers the best value. Project11-22-S16-06

5. Fiscal Impact Summary: Budget Fiscal 2022-23
   321-8708-416-66-24 EO2103 City - $ 5,100,000.00
   410-8708-446-66-36 EO2103 $800,000 - Water Depreciation Fund
   460-8708-446-66-36-EO2103 $800,000 Waste Water Depreciation Fund
   Total - $ 6,700,000.00
    MPU - $ 1,600,000.00 (PUB Budget Amendment to rollover fund 2021-22)
   <u>**Staff recommends entering into a 10 year fixed cost ERP solution from Oracle with implementation services**</u>

6. Budgeted: Yes

Bid Amount:	$16,970,915.00	Budgeted Amount:	$6,700,000
Under Budget:	$0.00	Over Budget:	$10,270,915
		Amount Remaining:	$0.00

7. Routing:

Robert Acosta	Created/Initiated - 11/21/2022
Angie Rodriguez	Approved - 11/22/2022
Sergio Villasana	Approved - 11/22/2022
Gerardo Noriega	Approved - 11/22/2022
Isaac Tawil	Final Approval - 11/22/2022

8. Staff Recommendation: <u>Staff recommends entering into a 10 year fixed cost ERP solution from Oracle with implementation services from ESC Partners in the amount of $16,970,915.00 through DLT Solutions LLC's Omnia cooperative purchase agreement, Contract #180233-001</u>

9. Advisory Board:

10. City Attorney: <u>Approve. IJT</u>

11. Manager's Recommendation: <u>Approve. RR</u>

To: **Roel "Roy" Rodriguez, P.E., City Manager**

Through: **Jeff Johnston, Assistant City Manager**

From: **Robert Acosta, Information Technology Director**

Date: **November 21, 2022**

Subject: **Award contract to DLT Solutions LLC for Oracle ERP Solution**

GOAL:
Request authorization to enter into contract with DLT Solutions LLC for Oracle's ERP Cloud Suite Solution with implementation services from ESC Partners.

BRIEF EXPLANATION:
McAllen and PUB's current financial, utility billing, and work order management software solutions are: over 13 years old, inefficient, not meeting the City's needs, and are in the final stages of being sunset. Current software solutions are reaching a state where maintenance and support are ending, which is forcing the City to replace these applications.

Over the past eleven months, 80+ city employees have spent over 14,266 hours planning and identifying various software solutions to meet the city's current and future growth. Narrowing the product selection from eighteen initial solutions down to two finalists and ultimately selecting the solution of choice that offers the best value.

RECOMMENDATION:
Staff recommends entering into a 10 year fixed cost ERP solution from Oracle with implementation services from ESC Partners in the amount of $16,970,915.00 through DLT Solutions LLC's Omnia cooperative purchase agreement, Contract #180233-001

Enterprise
Resource
Planning

Manage all your key business operations
in a Single Integrated System

What is **ERP?**

Enterprise Resource Planning (ERP) is a business management software that allows an organization to use a system of integrated applications to manage the business.

Applications, such as, accounting, payroll, sales, and purchasing are integrated rather than connected by an interface or not connected at all.

Executive Summary

Current financial, billing, and work order software solutions are: inefficient, not meeting City needs, and are on the final stages of being sunset.

Must replace current applications in order to continue to operate.

In late 2019 City Management, City Commission, and PUB approved the replacement of our ERP Solution. The Project kicked off but abruptly halted due to Covid. Project resumed a year later in late 2021.

The Project team spent over **14,266** labor hours to derive at selecting Oracle's ERP solution as the best value.

Oracle's Cloud ERP Suite
Cost: $16.9M fixed cost over 10 years
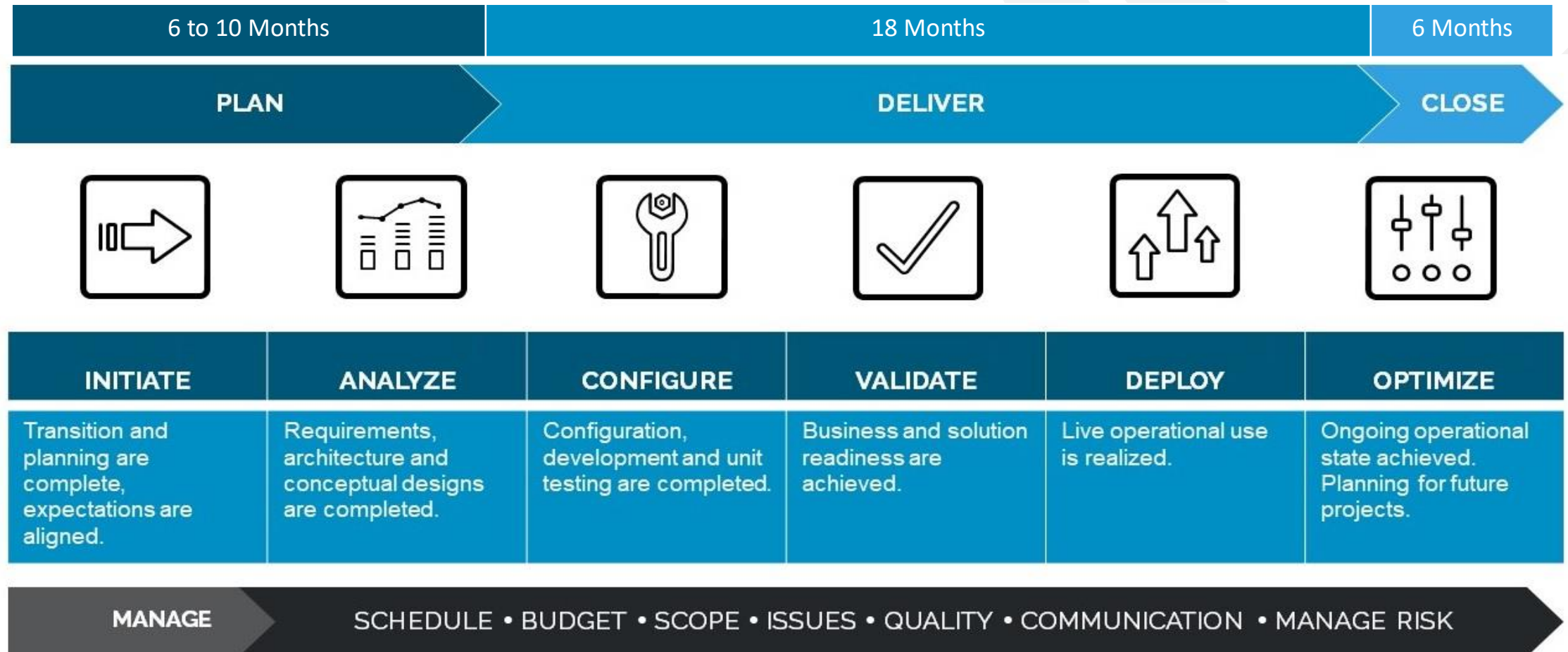
Budget Fiscal 2023: $6.7M
    $ 5.1M - City
    $ 1.6M - MPU

Funding:
1. Current budget covers Implementation services and first two years software usage.
2. City Management to allocate $6.2M to cover 10 year deficit.

HOW LONG TO IMPLEMENT?

INITIATE

The phase of the project that justifies the need to seek a new ERP solution

Step 1 – Business Case Supporting ERP Replacement

41% of employees state ERP does not provide information needed

+

75% of employees in favor of replacing ERP.

→

Survey Results Support ERP Replacement

Utility Billing
- Standard support ended
- No new product updates.
- A complete rebuy and installation.

Accela
- Product entering sunset stage
- A complete rebuy and installation.

Microsoft GP
- Support ends January 2023.
- No new tax or year end updates.

INITIATE

Step 2 - Planning ERP Replacement:

• Project Charter:
- Identify Project Mission, objectives, scope, and success criteria
- Budget Estimate: $6.7M ($5.2M - Stimulus Funds + $1.6M – MPU)

• Approvals:
- City Management, City Commission, PUB approvals in 2019

Step 3 – Kick Off the ERP Replacement:

• Assemble Team:

I.T. Project Management

Drive the project

Steering Committee

Decision Makers

Subject Matter Experts (SMEs)

Workforce to configure solution

ANALYZE

The Phase of the project to find the right solution

Step 1 – Organizing our Business Needs

8

ANALYZE

The Phase of the project to find the right solution

Step 1 – Organizing our Business Needs

Request for Information (RFI)
- Organize requirements into RFI
- Release RFI

Grade Responses
- Ten vendors responded
- Scores weighted on business functionality

Reduce to a Short List
- Top 5 vendors selected (vendor anonymous)
- 1,180 Hours
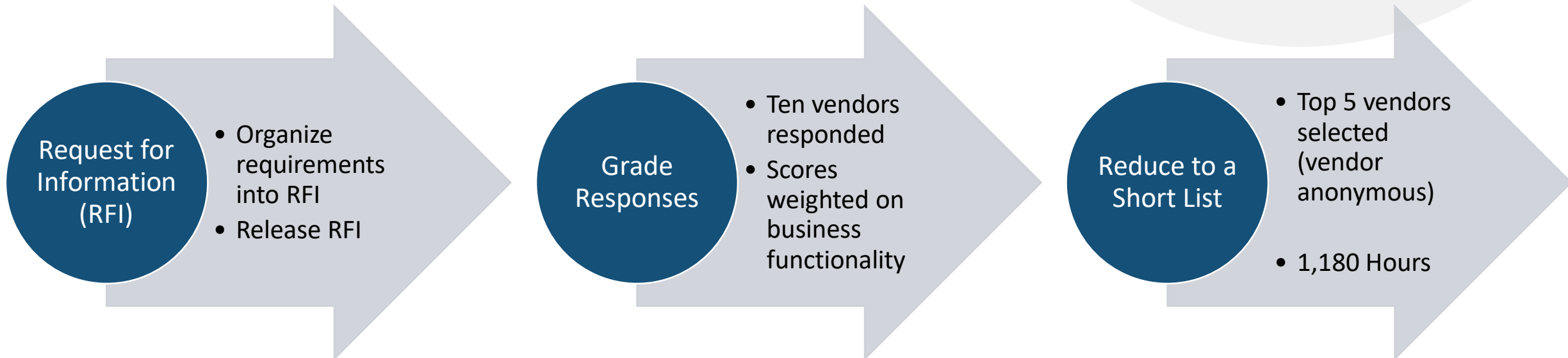
ANALYZE

The Phase of the project to find the right solution

Step 2 – Comparing Software:

Conduct Demos
- Key functionality to include in demo
- Five weeks of demos conducted

Reduce to top finalists
- Grades accumulated by SME scores
- Vendor Background conducted

Finalists Selected
- Oracle
- Tyler
- 4,187 Hours
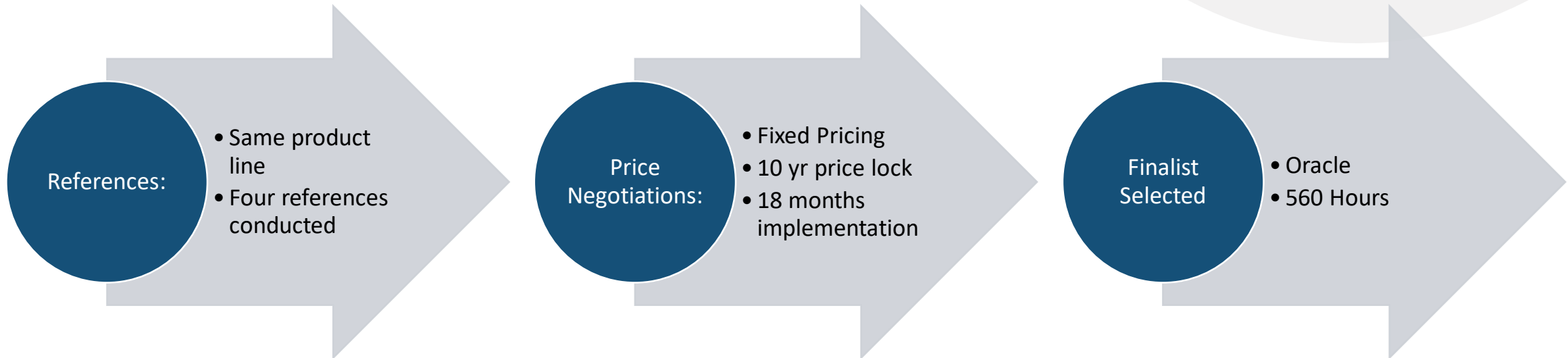
ANALYZE

The Phase of the project to find the right solution

Step 3 – Finalize software selection:
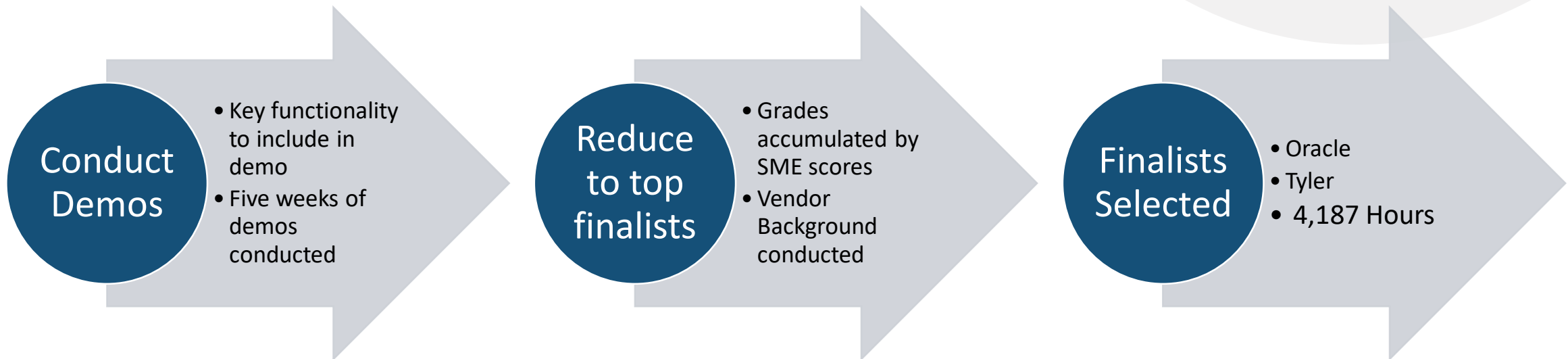
14,266 Total Hours Invested

References:
- Same product line
- Four references conducted

Price Negotiations:
- Fixed Pricing
- 10 yr price lock
- 18 months implementation

Finalist Selected
- Oracle
- 560 Hours

RECOMMENDATION

ERP Selected: Oracle Cloud ERP Suite
Product Costs: $16.9M (10 Yr TCO)
Budget FY 2023: $6.7M
10Yr Deficit: $6.2M

ALTERNATE

ERP Option: Tyler's Cloud ERP Suite
Product Costs: $13.38M (10 Yr TCO)
Budget FY 2023: $6.7M
10Yr Deficit: $2.6M

COMPARISON

GOOD / POSITIVE

Oracle	Oracle	Tyler	Oracle	Oracle
Implementation very structured, fixed cost, and pay schedule is based on milestones.	Two references very positive with little issues during implementation. Significant capabilities – scope creep	Incumbent, Lower Cost over 10 Year. Only Government Vertical	Advanced functionality with more automated efficiency, A.I. How To's	SMEs Choice for functionality, efficiency, audit, and overall departmental improvement

BAD/ NEGATIVE

Current Fire RMS Implementation delayed a year. Difficulty getting assurances in writing	Two references were fair. Impelementation issues. Poor Software interoperability	Higher cost. Player in all Verticals, 30% Government	Comparable functionality requires manual processes	Oracle Reference (Dothan, Al) identified same issues with Tyler
Tyler	**Tyler**	**Oracle**	**Tyler**	**Tyler**

QUESTIONS?

City of McAllen
Summary Cost Worksheet
Provided By:
ESC Partners

Note: Do Not Modify this worksheet.

Minimum Requirement: CIS, Portal, ERP

|		
Licensed Software (Implementation year)	$	1,077,191
Cloud Impl Services	$	6,500,060
Travel	$	-
Other	$	-
Total Implementation:	**$**	**7,577,251**

Project Overview

CIS Implementation Time Frame (Months)	14
WACS + OFS Time Frame (Months)	8
ERP Time Frame (Months)	12
HCM Time Frame (Months)	14
EPM Time Frame (Months)	6
OPAL Time Frame (Months)	14
Total CIS Implementation Hours	15,778
Total WACS + OFS Hours	10,840
Total ERP Hours	13,340
Total HCM Hours	17,940
Total EPM Hours	8,480
Total OPAL Hours	4,770
Total Implementation:	**71,148.00**

Pie chart: Licensed Software (Implementation year) 14%, Cloud Impl Services 86%, Travel 0%, Other 0%
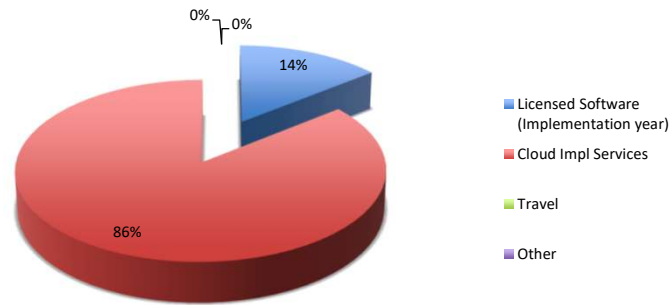
Total Cost of Ownership

Year-1	$	4,831,700
Year-2	$	1,945,780
Year-3	$	1,087,780
Year-4	$	1,107,742
Year-5	$	1,128,104
Year-6	$	1,170,104
Year-7	$	1,212,843
Year-8	$	1,269,003
Year-9	$	1,327,971
Year-10	$	1,389,888
Total 10-Year TCO:	**$**	**16,470,915**

Bar chart showing Year-1 through Year-7 cost of ownership values.
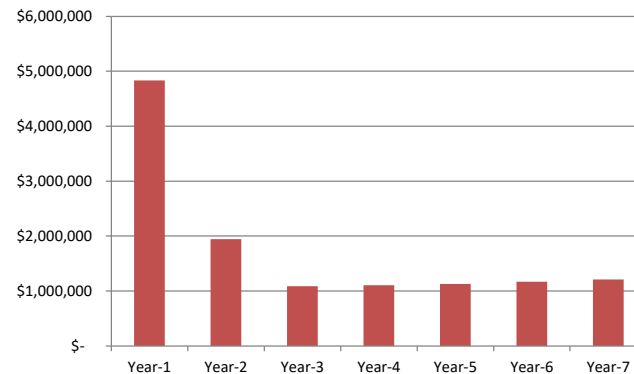
City of McAllen
CIS Cost Worksheet
Provided By:
ESC Partners

CIS Software License Fees

Software Related

List ALL licenses, costs, names of applications, and modules as part of the base software that is being proposed.

Application Name	Price	Pricing Methodology & Assumptions
Oracle Customer Cloud Service (CCS)	$ 230,695	Annual Subscription Fee model (50,200 Accounts)
	$ -	

List ALL license, costs, names of applications, and modules from 3rd party's being proposed.

Application Name	Price	Pricing Methodology & Assumptions
N/A	$ -	
	$ -	
	$ -	

Subtotal: Software License Fees	$ 230,695	

CIS Implementation Costs

Professional Services and other Implementation Costs

List all costs associated with implementing a complete solution.
The breakdown below should be by major phase.

Application Name	Hours	Cost	Notes
Implementation Time Frame (Mos):	**14**	<===== Enter Total CIS Project Duration In Months	
Project Management and Change Management	2,880	$ 261,112	Full time PM and Change Management resource
Project Planning Meetings	280	$ 65,278	
Software Installation	320	$ 65,278	SaaS Solution - Provisioning
Fit or Gap Analysis	652	$ 65,278	Solution design and best practice configuration
Configuration	1,300	$ 65,278	
Modifications (Design, Develop, Unit Test)	500	$ 39,167	Custom configuration based on RFP
Interfaces (Design, Develop, Unit Test)	522	$ 52,222	Intergations based on the RFP
Data Conversion	1,044	$ 104,445	Data conversion for 3 year historical data
Standard Reports	500	$ 52,222	Estimated allocation of hours for net new or undefined report development
Bill Print / Letters / Correspondence	400	$ 65,278	
Batch Scheduler (Config, Train, Test)	400	$ 26,111	
Core Team Training	240	$ 65,278	
End User Training	900	$ 65,278	End user training provided by ESC
Functional Testing	1,500	$ 65,278	
Integration Testing	1,500	$ 39,167	
Parallel Testing	480	$ 39,167	
Performance Testing	160	$ 65,278	
Acceptance Testing	960	$ 26,111	
System Go-Live Activities	640	$ 13,056	
90 Days Onsite Post Go-Live Support	600	$ 65,278	3 months post implementation support
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	

Subtotal: CIS Implementation Costs	15,778	$ 1,305,560	

CIS Expenses

Expense Related Costs

List anticipated expenses to install and support proposed solution.

	Costs	Notes
Airfare	$ -	
Lodging	$ -	
Car Rental	$ -	
Meals	$ -	
Parking	$ -	
Supplies	$ -	
Postage	$ -	
Post Go-Live Travel Expenses	$ -	
	$ -	
	$ -	

Subtotal: Expenses	$ -	

Other One-Time Fees or Expenses

List any other one-time fees and expenses required for the proposed solution.

	Costs	Notes
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	

Subtotal: Other	$ -	

TOTAL CIS IMPLEMENTATION SOLUTION COSTS	$ 1,536,255	

City of McAllen
WACS+OFS Cost Worksheet
Provided By:
ESC Partners

WACS+OFS Software License Fees

Software Related

List ALL licenses, costs, names of applications, and modules as part of the base software that is being proposed.

Application Name	Price	Pricing Methodology & Assumptions
Oracle Work and Asset Cloud Service (WACS)	$ 165,789	Annual Subscription Fee model (300 Users)
Oracle Field Service (OFS)	$ 56,842	Annual Subscription Fee model (300 Users)

List ALL license, costs, names of applications, and modules from 3rd party's being proposed.

Application Name	Price	Pricing Methodology & Assumptions
N/A	$ -	
	$ -	
	$ -	

Subtotal: Software License Fees	**$ 222,631**	

WACS+OFS Implementation Costs

Professional Services and other Implementation Costs

List all costs associated with implementing a complete solution.
The breakdown below should be by major phase.

Application Name		Cost	Notes
Implementation Time Frame (Mos):	**8**	<===== Enter Total WACS+OFS Project Duration In Months	
Project Management and Change Management	Hours 1,500	$ 195,900	Full time PM and Change Management resource
Project Planning Meetings	100	$ 48,975	
Software Installation	100	$ 48,975	SaaS Solution - Provisioning
Fit or Gap Analysis	700	$ 48,975	Solution design and best practice configuration
Configuration	1,100	$ 48,975	
Modifications (Design, Develop, Unit Test)	300	$ 29,385	Custom configuration based on RFP
Interfaces (Design, Develop, Unit Test)	500	$ 39,180	Intergations based on the RFP
Data Conversion	1,300	$ 78,360	Data conversion for 3 year historical data
Standard Reports	500	$ 39,180	Estimated allocation of hours for net new or undefined report development
Batch Scheduler (Config, Train, Test)	300	$ 48,975	
Core Team Training	160	$ 19,590	
End User Training	400	$ 48,975	End user training provided by ESC
Functional Testing	1,200	$ 48,975	
Integration Testing	1,200	$ 48,975	
Parallel Testing	400	$ 29,385	
Performance Testing	160	$ 29,385	
Acceptance Testing	320	$ 48,975	
System Go-Live Activities	280	$ 19,590	
90 Days Onsite Post Go-Live Support	320	$ 58,770	3 months post implementation support
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	

Subtotal: WACS+OFS Implementation Costs	**10,840**	**$ 979,500**	

WACS+OFS Expenses

Expense Related Costs

List anticipated expenses to install and support proposed solution.

	Costs	Notes
Airfare	$ -	
Lodging	$ -	
Car Rental	$ -	
Meals	$ -	
Parking	$ -	
Supplies	$ -	
Postage	$ -	
Post Go-Live Travel Expenses	$ -	
	$ -	
	$ -	

Subtotal: Expenses	**$ -**	

Other One-Time Fees or Expenses

List any other one-time fees and expenses required for the proposed solution.

	Costs	Notes
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	

Subtotal: Other	**$ -**	

TOTAL WACS+OFS IMPLEMENTATION SOLUTION COSTS	**$ 1,202,131**	

City of McAllen
ERP Cost Worksheet
Provided By:
ESC Partners

ERP Software License Fees

Software Related
List ALL licenses, costs, names of applications, and modules as part of the base software that is being proposed.

Application Name	Price	Pricing Methodology & Assumptions
Oracle Enterprise Resource Planning (ERP)	$ 66,316	Annual Subscription fees (2,500 Users)
Oracle Procurement Coud Service	$ 66,315	Annual Subscription fees (2,500 Users)
Oracle Supply Chain Execution Cloud Service	$ 47,369	Annual Subscription fees (2,500 Users)
Oracle WebCenter Forms Recognition Coud Service	$ 3,790	Annual Subscription fees (2,500 Users)
Oracle Digital Assistant Platform	$ 6,947	Annual Subscription fees (2,500 Users)

List ALL license, costs, names of applications, and modules from 3rd party's being proposed.

Application Name	Price	Pricing Methodology & Assumptions
Sympro - Treasury/Investments	$ 49,140	
Canam Technologies - Teller/Cashiering	$ 40,500	
	$ -	

Subtotal: Software License Fees	**$ 280,377**	

ERP Implementation Costs

Professional Services and other Implementation Costs
List all costs associated with implementing a complete solution.
The breakdown below should be by major phase.

Application Name		Cost	Notes
Implementation Time Frame (Mos):	**12**	**<===== Enter Total ERP Project Duration In Months**	
Project Management and Change Management	Hours 1,800	$ 225,000	Full time PM and Change Management resource
Project Planning Meetings	160	$ 56,250	
Software Installation	160	$ 56,250	SaaS Solution - Provisioning
Fit or Gap Analysis	700	$ 56,250	Solution design and best practice configuration
Configuration	1,200	$ 56,250	
Modifications (Design, Develop, Unit Test)	900	$ 33,750	Custom configuration based on RFP
Interfaces (Design, Develop, Unit Test)	700	$ 45,000	Intergations based on the RFP
Data Conversion	1,600	$ 90,000	Data conversion for 3 year historical data
Standard Reports	500	$ 45,000	development
Batch Scheduler (Config, Train, Test)	200	$ 56,250	
Core Team Training	400	$ 22,500	
End User Training	1,100	$ 56,250	End user training provided by ESC
Functional Testing	1,800	$ 56,250	
Integration Testing	480	$ 56,250	
Parallel Testing	600	$ 33,750	
Performance Testing	160	$ 33,750	
Acceptance Testing	320	$ 56,250	
System Go-Live Activities	160	$ 22,500	
90 Days Onsite Post Go-Live Support	400	$ 67,500	3 months post implementation support
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	

Subtotal: ERP Implementation Costs	**13,340**	**$ 1,125,000**	

ERP Expenses

Expense Related Costs
List anticipated expenses to install and support proposed solution.

	Costs	Notes
Airfare		
Lodging		
Car Rental		
Meals		
Parking		
Supplies		
Postage		
Post Go-Live Travel Expenses		
	$ -	

Subtotal: Expenses	**$ -**	

Other One-Time Fees or Expenses
List any other one-time fees and expenses required for the proposed solution.

	Costs	Notes
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	

Subtotal: Other	**$ -**	

TOTAL ERP IMPLEMENTATION SOLUTION COSTS	**$ 1,405,377**	

City of McAllen
HCM Cost Worksheet
Provided By:
ESC Partners

HCM Software License Fees

Software Related

List ALL licenses, costs, names of applications, and modules as part of the base software that is being proposed.

Application Name	Price	Pricing Methodology & Assumptions
Oracle HCM Cloud Base Cloud Service	$ 33,158	Annual Subscription Fee model (2,500 Users)
Oracle HCM Talent Mgt Cloud Service	$ 15,474	Annual Subscription Fee model (2,500 Users)
Oracle HCM Workforce Comp Cloud Service	$ 8,842	Annual Subscription Fee model (2,500 Users)
Oracle HR Help Desk Cloud Service	$ 8,842	Annual Subscription Fee model (2,500 Users)
Oracle Learning Cloud Service	$ 6,632	Annual Subscription Fee model (2,500 Users)
Oracle Payroll Cloud Service for USA	$ 15,474	Annual Subscription Fee model (2,500 Users)
Oracle Recruiting Cloud Service	$ 17,684	Annual Subscription Fee model (2,500 Users)
Oracle Policy Automation for Workers Cloud Service	$ 3,158	Annual Subscription Fee model (2,500 Users)
Oracle Time and Labor Cloud Service	$ 6,632	Annual Subscription Fee model (2,500 Users)
Oracle Workforce Health & Safety Incidents Cloud Service	$ 4,421	Annual Subscription Fee model (2,500 Users)
Additional Test Environment	$ 9,474	Annual Subscription Fee model (1)

List ALL license, costs, names of applications, and modules from 3rd party's being proposed.

Application Name	Price	Pricing Methodology & Assumptions
N/A	$ -	
	$ -	
	$ -	

Subtotal: Software License Fees	**$ 129,791**

HCM Implementation Costs

Professional Services and other Implementation Costs

List all costs associated with implementing a complete solution.
The breakdown below should be by major phase.

Application Name	Hours	Cost	Notes
Implementation Time Frame (Mos):	14	<===== Enter Total HCM Project Duration In Months	
Project Management and Change Management	2,400	$ 204,000	Full time PM and Change Management resource
Project Planning Meetings	160	$ 51,000	
Software Installation	120	$ 51,000	SaaS Solution - Provisioning
Fit or Gap Analysis	1,800	$ 51,000	Solution design and best practice configuration
Configuration	2,300	$ 51,000	
Modifications (Design, Develop, Unit Test)	600	$ 30,600	Custom configuration based on RFP
Interfaces (Design, Develop, Unit Test)	800	$ 40,800	Intergations based on the RFP
Data Conversion	1,900	$ 81,600	Data conversion for 3 year historical data
Standard Reports	500	$ 40,800	development
Batch Scheduler (Config, Train, Test)	200	$ 51,000	
Core Team Training	200	$ 20,400	
End User Training	1,000	$ 51,000	End user training provided by ESC
Functional Testing	1,800	$ 51,000	
Integration Testing	1,600	$ 51,000	
Parallel Testing	1,000	$ 30,600	
Performance Testing	600	$ 30,600	
Acceptance Testing	400	$ 51,000	
System Go-Live Activities	160	$ 20,400	
90 Days Onsite Post Go-Live Support	400	$ 61,200	3 months post implementation support
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	

Subtotal: HCM Implementation Costs	**17,940**	**$ 1,020,000**

HCM Expenses

Expense Related Costs

List anticipated expenses to install and support proposed solution.

	Costs	Notes
Airfare		
Lodging		
Car Rental		
Meals		
Parking		
Supplies		
Postage		
Post Go-Live Travel Expenses		

Subtotal: Expenses	**$ -**

Other One-Time Fees or Expenses

List any other one-time fees and expenses required for the proposed solution.

	Costs	Notes
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	

Subtotal: Other	**$ -**
TOTAL HCM IMPLEMENTATION SOLUTION COSTS	**$ 1,149,791**

City of McAllen
EPM Cost Worksheet
Provided By:
ESC Partners

EPM Software License Fees

Software Related

List ALL licenses, costs, names of applications, and modules as part of the base software that is being proposed.

Application Name	Price	Pricing Methodology & Assumptions
Oracle Enterprise Performance Mgt Cloud Service	$ 69,474	Annual Subscription fees (100 Users)
Additional Application for Oracle EPM	$ -	Annual Subscription fees (6)

List ALL license, costs, names of applications, and modules from 3rd party's being proposed.

Application Name	Price	Pricing Methodology & Assumptions
N/A	$ -	
	$ -	
	$ -	

Subtotal: Software License Fees	**$ 69,474**	

EPM Implementation Costs

Professional Services and other Implementation Costs

List all costs associated with implementing a complete solution.
The breakdown below should be by major phase.

Application Name		Cost	Notes
Implementation Time Frame (Mos):	**6**	**<===== Enter Total EMP Project Duration In Months**	
Project Management and Change Management	Hours 1,000	$ 174,000	Full time PM and Change Management resource
Project Planning Meetings	80	$ 43,500	
Software Installation	160	$ 43,500	SaaS Solution - Provisioning
Fit or Gap Analysis	700	$ 43,500	Solution design and best practice configuration
Configuration	1,000	$ 43,500	
Modifications (Design, Develop, Unit Test)	600	$ 26,100	Custom configuration based on RFP
Interfaces (Design, Develop, Unit Test)	400	$ 34,800	Intergations based on the RFP
Data Conversion	960	$ 69,600	Data conversion for 3 year historical data
Standard Reports	400	$ 34,800	development
Batch Scheduler (Config, Train, Test)	100	$ 43,500	
Core Team Training	160	$ 17,400	
End User Training	600	$ 43,500	End user training provided by ESC
Functional Testing	800	$ 43,500	
Integration Testing	400	$ 43,500	
Parallel Testing	400	$ 26,100	
Performance Testing	120	$ 26,100	
Acceptance Testing	160	$ 43,500	
System Go-Live Activities	120	$ 17,400	
90 Days Onsite Post Go-Live Support	320	$ 52,200	3 months post implementation support
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	

Subtotal: EPM Implementation Costs	**8,480 $ 870,000**	

EPM Expenses

Expense Related Costs

List anticipated expenses to install and support proposed solution.

	Costs	Notes
Airfare		
Lodging		
Car Rental		
Meals		
Parking		
Supplies		
Postage		
Post Go-Live Travel Expenses		

Subtotal: Expenses	**$ -**	

Other One-Time Fees or Expenses

List any other one-time fees and expenses required for the proposed solution.

	Costs	Notes
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	

Subtotal: Other	**$ -**	

TOTAL EPM IMPLEMENTATION SOLUTION COSTS	**$ 939,474**	

OPAL Software License Fees

Software Related
List ALL licenses, costs, names of applications, and modules as part of the base software that is being proposed.

Application Name	Price	Pricing Methodology & Assumptions
Oracle Fusion Public Sector Community Development Cloud Serivce - Hosted Named User	$ 142,105	Annual Subscription fees (180 Users)
Oracle PCI Compliance Cloud Service	$ 76	Annual Subscription fees (1)
Oracle Digital Assistant for Oracle SaaS - 1,000 Sessions	$ 6,948	Annual Subscription fees (20)
Oracle Intelligent Advisor Cloud Service - 1,000 Interactions	$ 3,158	Annual Subscription fees (10)

List ALL license, costs, names of applications, and modules from 3rd party's being proposed.

Application Name	Price	Pricing Methodology & Assumptions
N/A	$ -	
	$ -	
	$ -	

Subtotal: Software License Fees	$ 152,287	

OPAL Implementation Costs

Professional Services and other Implementation Costs
 List all costs associated with implementing a complete solution.
 The breakdown below should be by major phase.

Application Name		Cost	Notes
Implementation Time Frame (Mos):	**14**	**<===== Enter Total OPAL Project Duration In Months**	
Project Management and Change Management	Hours 1,260	$ 291,736	Project Management and Oversight (Project Director) for fourteen (14) month implementation
Project Planning Meetings	-	$ -	Included in consulting and project management cost
Software Installation	-	$ -	SaaS Solution - No Installation Cost
Fit or Gap Analysis	260	$ 70,236	Sprint 0 and Product Backlog Development. Implementation of Permitting and Licensing is an Agile methodology.
Configuration	1,800	$ 362,836	This includes detailed analysis, configuration, documentation and unit testing for all included permit/application/case types, both back office and customer portal. See assumptions for more details.
Modifications (Design, Develop, Unit Test)	-	$ -	Included in implementation Sprints and configuration costs
Interfaces (Design, Develop, Unit Test)	260	$ 83,236	Payment Processor (Cybersource or Paypal), Bluebeam, ESRI GIS, Laserfiche and Oracle ERP
Data Conversion	400	$ 116,836	Data Migration of closed Permits, Planning Entitlements, and Code Enforcement cases. This is a ballpark estimate as Legacy system is unknown from RFP.
Standard Reports	250	$ 68,336	Estimated hours for development of 9 custom reports. Standard reports are out of the box. Modifications of standard reports are not included in scope.
Batch Scheduler (Config, Train, Test)	-	$ -	N/A
Core Team Training	80	$ 36,036	Includes, Preparation and Familiarzation training, methodology training, database schema training, report development training, and adminnistration training and
End User Training (Train the Trainer)	80	$ 36,036	Includes preparation and two (2) three and a half day Train the Trainer courses
Functional Testing	-	$ -	Included in Configuration cost
Integration Testing	-	$ -	Including in integrations cost
Parallel Testing	-	$ -	Included in Configuration cost
Performance Testing	-	$ -	Oracle is a SaaS software and does internal performance testing
Acceptance Testing	120	$ 43,636	Four (4) weeks of UAT support
System Go-Live Activities	100	$ 39,836	Go Live Readiness and cutover
20 Days Onsite Post Go-Live Support	160	$ 51,236	Four (4) weeks of Post Go Live Support
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
	-	$ -	
Subtotal: OPAL Implementation Costs	**4,770**	**$1,200,000**	

OPAL Expenses

Expense Related Costs
 List anticipated expenses to install and support proposed solution.

	Costs	Notes
Airfare		
Lodging	$ -	
Car Rental	$ -	
Meals	$ -	
Parking	$ -	
Supplies	$ -	
Postage	$ -	
Post Go-Live Travel Expenses	$ -	
	$ -	
	$ -	
Subtotal: Expenses	$ -	

Other One-Time Fees or Expenses
 List any other one-time fees and expenses required for the proposed solution.

	Costs	Notes
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
	$ -	
Subtotal: Other	$ -	

TOTAL OPAL IMPLEMENTATION SOLUTION COSTS	**$1,352,287**	

To:	From:
McAllen City of (TX)	Sean Sexton
1300 Houston Ave.	DLT Solutions, LLC
McAllen, TX 78501	2411 Dulles Corner Park
	Suite 800
	Herndon, VA 20171

Phone:	Phone: (703) 708-9156
Fax:	Fax: (703) 708-9156
Email:	Email: sean.sexton@dlt.com

#	DLT Part No.	Contract	Qty	Unit Price	Ext. Price
	NOTE				
	Please note this is budgetary pending Oracle approvals.				
1	9891-7515	MSTATE-ORCL-USC	30000	$0.31579	$9,473.70
	Oracle Digital Assistant Platform for SaaS-Hosted Employee Quantity reflects licenses (2,500) x months (12).				
2	9891-316265	MSTATE-ORCL-USC	30000	$1.10526	$33,157.80
	Fusion Human Capital Management Base Cloud Service - Hosted Employee, Monthly Quantity reflects licenses (2,500) x months (12).				
3	9891-317370	MSTATE-ORCL-USC	30000	$0.29474	$8,842.20
	Fusion Human Resources Help Desk Cloud Service - Hosted Employee, Monthly Quantity reflects licenses (2,500) x months (12).				
4	9891-320272	MSTATE-ORCL-USC	30000	$0.58947	$17,684.10
	Fusion Recruiting Cloud Service - Hosted Employee Quantity reflects licenses (2,500) x months (12).				
5	9891-3212071	MSTATE-ORCL-USC	30000	$0.14737	$4,421.10
	Fusion Workforce Health and Safety Incidents Cloud Service - Hosted Employee, Monthly Quantity reflects licenses (2,500) x months (12).				
6	9891-27178	MSTATE-ORCL-USC	30000	$0.51579	$15,473.70
	Oracle Fusion Talent Management Cloud Service - Hosted Named User Quantity reflects licenses (2,500) x months (12).				
7	9891-27179	MSTATE-ORCL-USC	30000	$0.29474	$8,842.20
	Oracle Fusion Workforce Compensation Cloud Service - Hosted Employee Quantity reflects licenses (2,500) x months (12).				
8	9891-316266	MSTATE-ORCL-USC	30000	$0.51579	$15,473.70
	Fusion Payroll Cloud Service for United States - Hosted Employee, Monthly Quantity reflects licenses (2,500) x months (12).				
9	9891-240539	MSTATE-ORCL-USC	30000	$0.22105	$6,631.50
	Fusion Time and Labor Cloud Service - Hosted Named User, Monthly Quantity reflects licenses (2,500) x months (12).				
10	9891-311103	MSTATE-ORCL-USC	2	$4,736.84	$9,473.68
	Additional Test Environment for Oracle Fusion Cloud Service - Each, Annual				
11	9891-316264	MSTATE-ORCL-USC	30000	$0.22105	$6,631.50
	Fusion Learning Cloud Service - Hosted Named User, Monthly Quantity reflects licenses (2,500) x months (12).				

Price Quotation

#	DLT Part No.	Contract	Qty	Unit Price	Ext. Price
12	9891-32360510	MSTATE-ORCL-USC	30000	$2.21053	$66,315.90
	Oracle Fusion Enterprise Resource Planning Cloud Service - Hosted Employee Quantity reflects licenses (2,500) x months (12).				
13	9891-32360511	MSTATE-ORCL-USC	30000	$2.21053	$66,315.90
	Oracle Fusion Procurement Cloud Service - Hosted Employee Quantity reflects licenses (2,500) x months (12).				
14	9891-32360512	MSTATE-ORCL-USC	30000	$1.57895	$47,368.50
	Oracle Fusion Supply Chain Execution Cloud Service - Hosted Employee Quantity reflects licenses (2,500) x months (12).				
15	9891-319499	MSTATE-ORCL-USC	30000	$0.12632	$3,789.60
	Oracle Fusion WebCenter Forms Recognition Cloud Service - Hosted Employee Quantity reflects licenses (2,500) x months (12).				
16	4931153FFP5	MSTATE-ORCL-USC	12	$6.316	$75.79
	Oracle PCI Compliance Cloud Service - Each Quantity reflects licenses (1) x months (12).				
17	9891-32360519	MSTATE-ORCL-USC	1200	$57.89474	$69,473.69
	Oracle Enterprise Performance Management Enterprise Cloud Service - Hosted Named User Quantity reflects licenses (100) x months (12).				
18	9891-32360559	MSTATE-ORCL-USC	6	$0.00	$0.00
	Oracle Additional Application for Oracle Enterprise Performance Management Enterprise Cloud Service				
19	9891-7702	MSTATE-ORCL-USC	120	$26.31579	$3,157.89
	Oracle Intelligent Advisor Cloud Service - 1,000 Interactions, Monthly Quantity reflects licenses (10) x months (12).				
20	9891-32356965	MSTATE-ORCL-USC	2160	$65.78947	$142,105.26
	Oracle Fusion Public Sector Community Development Cloud Service - Hosted Named User, Monthly Quantity reflects licenses (180) x months (12).				
21	9891-7428	MSTATE-ORCL-USC	240	$28.94737	$6,947.37
	Oracle Digital Assistant Platform for Oracle SaaS - 1000 Sessions, Monthly Quantity reflects licenses (20) x months (12).				
22	9891-320813	MSTATE-ORCL-USC	30000	$0.10526	$3,157.80
	Policy Automation for Workers Cloud Service - Hosted Employee, Monthly Quantity reflects licenses (2,500) x months (12).				
23	4931153FFP1	MSTATE-ORCL-USC	3600	$46.05263	$165,789.47
	Oracle Utilities Work and Asset Cloud Service - Hosted Named User Quantity reflects licenses (300) x months (12).				
24	9891-32356982	MSTATE-ORCL-USC	3600	$15.78947	$56,842.09
	Oracle Field Service Professional Cloud Service - Hosted Named User, Monthly Quantity reflects licenses (300) x months (12).				
25	4931153FFP3	MSTATE-ORCL-USC	602400	$0.38296	$230,695.10
	Oracle Utilities Customer Cloud Service - Billable Service Customer Quantity reflects licenses (50,200) x months (12).				

#	DLT Part No.	Contract	Qty	Unit Price	Ext. Price
	NOTE				
	$5,300,060.00 for implementation and professional services from ESC Partners. Budgetary placeholder pending approvals with ESC Partners.				
	NOTE				
	Notwithstanding any statement to the contrary in this Order, You expressly agree that the services acquired in this order will not auto-renew. You shall have the option to renew your subscription for the same services listed in this order at the same usage limits for nine (9) additional option years. Professional Services are not included in these option years. Option Year One (commencing the day after the last day of the service period specified in this order): $[Total 12-month annualized Cloud Services fee for the services period under this order] x 1.00. Option Year Two: $[Total 12 -month annualized Cloud Services fees for Option Year One] x 1.00 Option Year Three: $[Total 12 -month annualized Cloud Services fees for Option Year Two] x 1.02 Option Year Four: $[Total 12 -month annualized Cloud Services fees for Option Year Three] x 1.02 Option Year Five: $[Total 12 -month annualized Cloud Services fees for Option Year Four] x 1.04 Option Year Six: $[Total 12 -month annualized Cloud Services fees for Option Year Five] x 1.04 Option Year Seven: $[Total 12 -month annualized Cloud Services fees for Option Year Six] x 1.05 Option Year Eight: $[Total 12 -month annualized Cloud Services fees for Option Year Seven] x 1.05 Option Year Nine: $[Total 12 -month annualized Cloud Services fees for Option Year Eight] x 1.05 Option Year Ten: $[Total 12 -month annualized Cloud Services fees for Option Year Nine] x 1.05 You must provide the Oracle authorized partner a minimum of 30 days notice prior to the expiration of a service term of your intent to exercise an Option Year and execute an order for the new option period prior to the expiration date of the existing service period. The Cloud Services listed above may not be renewed at the option year pricing listed above if: (i) Oracle is no longer making such Cloud Services generally available to customers, or (ii) You are seeking to cancel or reduce the number of user licenses of the Cloud Services set forth in this order."				
	NOTE				
	DLT Solutions LLC OMNIA Contract #180233-001 terms and condition will govern this transaction.				

Total   **$6,298,199.54**

The pricing above is a Rough Order of Magnitude (ROM). This should not be construed or interpreted to be a binding proposal. This is for budgetary and planning purposes only. Upon receipt of a Request for Proposal or Quote, DLT will respond with an official binding proposal or quotation.

Price Quotation

Contract Serial No. 180233-001
Contract Expires: 11/30/2023
UEI - F1N2KDGBDTU8
Federal ID #: 54-1599882
FOB: Destination
Terms: Net 30 (On Approved Credit)
DLT accepts VISA/MC/AMEX
Ship Via: Fedex Ground/UPS

THIS QUOTE IS SUBJECT TO THE TERMS AND CONDITIONS OF CONTRACT SERIAL NUMBER 180233. CUSTOMER IS DIRECTED TO INCORPORATE (BY REFERENCE) THIS QUOTE IN ANY RESULTING TASK/DELIVERY ORDER OR AWARD. THE TERMS OF THE AFOREMENTIONED CONTRACT ARE THE ONLY CONTROLLING TERMS AND ANY TERMS OR CONDITIONS CONTAINED IN AN ORDER, AWARD OR OTHER INSTRUMENT OF BUYER, WHICH ARE IN ADDITION TO OR INCONSISTENT WITH ANY OF THE TERMS OR CONDITIONS CONTAINED IN THOSE REFERENCED HEREIN, SHALL NOT BE BINDING ON DLT OR ITS MANUFACTURERS AND SHALL NOT APPLY UNLESS SPECIFICALLY AGREED TO IN WRITING BY DLT.

CPARs requests should be sent to the attention of AJ Ezersky at cpars@dlt.com.

PLEASE REMIT PAYMENT TO:	ACH: DLT Solutions, LLC Bank of America ABA # 111000012 Acct # 4451063799	-OR-	Mail: DLT Solutions, LLC P.O. Box 743359 Atlanta, GA 30374-3359

Customer orders subject to applicable sales tax.

Documentation to be submitted to validate Invoice for payment:
a. Authorized Services shall be invoiced with a corresponding time report for the period of performance identifying names, days, and hours worked.
b. Authorized reimbursable expenses shall be invoiced with a detailed expense report, documented by copies of supporting receipts.
c. Authorized Education or Training shall be invoiced with a Report identifying date and name of class completed, and where applicable the name of attendees.

The Quote Number referenced above incorporates Oracle's Technical Support Policies located at: http://www.oracle.com/us/support/policies/index.html. Issuance of an order pursuant to this quote is acknowledgement and acceptance of these terms and conditions. Please reference and incorporate this Quote Number on your purchase order.

ITEM SUMMARY

BOARD: City Commission

AGENDA ITEM   2.A.
DATE SUBMITTED   11/23/2022
MEETING DATE   11/28/2022

1. Agenda Item: Consideration of Economic Development Matters. (Section 551.087, T.G.C.)

2. Party Making Request: Isaac Tawil

3. Applicant:

4. Nature of Request: Consideration of Economic Development Matters. (Section 551.087, T.G.C.)

5. Fiscal Impact Summary:

6. Budgeted:

    Bid Amount: _____   Budgeted Amount: _____

    Under Budget: _____   Over Budget: _____

                                                       Amount Remaining: _____

7. Routing:

    Amy Gonzalez   Created/Initiated - 11/23/2022
    Isaac Tawil   Final Approval - 11/23/2022

8. Staff Recommendation:

9. Advisory Board:

10. City Attorney:

11. Manager's Recommendation: