



City of Oregon City

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Staff Report

File Number: 17-416

Agenda Date: 7/19/2017

Status: Agenda Ready

To: City Commission

Agenda #: 7b.

From: Finance Director Wyatt Parno

File Type: Contract

SUBJECT:

Contract with Tyler Technologies, Inc. for Enterprise Resource Planning (ERP) Software and Implementation

RECOMMENDED ACTION (Motion):

Award the bid and authorize the City Manager to execute a contract with Tyler Technologies, Inc. in the amount of \$382,560 for the purchase of ERP software and related implementation costs, and \$102,309 for annual maintenance and support.

BACKGROUND:

The City's current ERP system, Eden, is utilized by multiple City departments including Finance, Payroll/Human Resources, Utility Customer Service, Planning, Building, Engineering and GIS, and has been in use by the City since the 1980s. Initially installed on a DOS platform, the system was upgraded to Windows in 2002. The system has been running on its current platform since then.

In early 2015, the Planning, Building and Engineering Departments initiated a project to replace the Eden permitting module. These departments began an investigation into replacements and, based on informal requests for quotes, included funding in the 2015-2017 biennial budget to purchase a new permitting system.

During the 2015-2017 biennial budget cycle, the remaining users of Eden recognized the opportunity to replace the entire Eden system. The City decided to forgo replacement of the Eden permitting module in 2015-2017 and instead issued a Request for Proposals (RFP) to determine affordability of a full system replacement. Based on responses from vendors, it was determined that a full replacement would be affordable and the City Commission established the upgrade as a formal goal in early 2017.

The City's RFP (attached) included requests for a Municipal Government Enterprise Resource Planning (ERP) System including software, training and implementation services. In addition to publishing the RFP, the City provided it directly to known vendors in the industry including vendors whose products are installed at neighboring cities and vendors who have attended trade shows and conferences such as those hosted by the Government Finances Officers Association (GFOA) and the Oregon Government Finances Officers Association (OGFOA). The City also contacted the United States Conference of Mayors for their recommendations.

A total of three vendors replied to the RFP (Accela, Tyler and SunGard). The City responded to two of those vendors with requests for alternate solutions and better pricing. The third vendor submitted an incomplete proposal that was cost prohibitive. Additionally, the City evaluated two other low cost solutions (Vision, and the State of Oregon for a permitting specific solution).

A panel consisting of seven key stakeholders, including representatives from across the City, evaluated the proposals using fifteen selection criteria as described in the RFP. Additionally, stakeholders and primary users evaluated the proposed systems by attending site visits to neighboring cities and participating in vendor demonstrations at the City. Based on the scoring assigned by the evaluators (attached), the proposed system that ranked the highest was Tyler's Incode/Energov solution.

As detailed in the RFP, the City expects to realize several benefits as a result of replacing the Eden system including:

- Automation of various functions that are currently reliant on manual processing, which include the budgeting, project accounting, fixed asset capitalization, and purchasing functions
- Mobile applications for completion of inspections in the field
- A citizen portal for management of accounts and payments
- An employee self-service portal for timekeeping and benefit tracking
- Integration between the cash receipting function and the various billing functions of the City (integration does not currently exist)
- Integrated GIS functionality
- Paperless processing across several functions

BUDGET IMPACT:

Amount: \$382,560 for software, training and implementation services. \$102,309 for annual maintenance (a reduction of \$17,600 compared to current system). The budget includes an additional \$129,000 for implementation support and employee back-fill, if necessary, to ensure a successful implementation.

FY(s): 2017-18

Funding Source: Costs shared by Finance, Utility Customer Service, Human Resources, Building, Planning, Engineering & Utility Funds, and Information Technology.