



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: George Barber, Chief Procurement Officer; Brian Robinson, IT Director;
Gabriel Bowden, Utilities Director

DATE: October 17, 2024

RE: Contract: Enterprise Resource Planning (ERP), software and implementation services – RFP 37-0-2023 – Utilities Department (SpryPoint Services, Inc. - \$948,718).

SUMMARY:

Project Background:

In efforts to modernize operations and enhance efficiency, the City initiated a project to explore the Enterprise Resource Planning (ERP) software market, prompted by an assessment of the existing CentralSquare Naviline legacy software. Within this assessment, the City also reviewed the current Utility Billing Solution (customer accounts, meter reads, work orders, deposits, billing, etc.). In collaboration with the City's ERP consultant, Government Finance Officers Association (GFOA), the Information Technology and Utilities Departments performed a functional assessment of the City's current Utility Billing Solution. During the May 2, 2024 City Council Meeting, staff identified that the Utility Billing Solution would be presented to City Council as an amendment at a later date.

Negotiations:

At the request of the ERP Steering Committee, the highest ranked proposer (Cognizant Technology Solutions US Corporation) provided their Utility Billing Solution partner for Workday for local government (SpryPoint Services, Inc). The City engaged SpryPoint to facilitate a software demonstration on March 4, 2024. Attendees of the demonstration included the Utilities Director, IT Director, and Chief Procurement Officer, along with representatives from each of the respective departments. At the conclusion of the demonstration, the overall consensus was to move forward with the utility billing solution based on the increased functionality and efficiency the solution would provide. Staff hosted several follow up meetings to identify functional requirements and negotiate the Statement of Work for the solution. The Master Services Agreement, Statement of Work, and Pricing Proposal were also reviewed by the City's ERP Consultant Government Finance Officers

Association (GFOA), along with the ERP Steering Committee. After several negotiations, the City and SpryPoint mutually agreed on a revised statement of work and pricing:

- The original pricing for the initial software annual subscription was \$272,250. The revised pricing is \$258,638.
- The original professional services fee for implementation was \$726,400. The revised pricing is \$690,080.
- The original annual escalation percentage was 5 percent. The revised is 3 percent.

The pricing negotiated expires at the end of October. The agreement will not be executed until Staff receives approval from the City Attorney, who was also part of the negotiation team.

The estimated project timeline is sixteen months (16) to deployment. If approved, the implementation is expected to begin in January, in coordination with phase two of the ERP (Workday and Sherpa) Finance Module.

SpryPoint Utility Billing Solution:

This system includes a wide range of features such as mobility solutions, customer relationship management (CRM), and advanced metering infrastructure (AMI) along with smart grid integration. It supports the management of complex rates, customer accounts, and bankruptcy cases, while also handling bill disputes, collections, and deposits. Additional functionalities include budget billing, loans, and general ledger (GL) subledger management, as well as key account management. The system integrates mapping and GIS features, supports e-billing, and promotes conservation initiatives and customer engagement. Mobile field service options, dashboards, and business intelligence tools further optimize operations, while service points, premises management, and liens are also accounted for.

SpryPoint Florida Agencies:

- Bonita Springs Utilities, Inc.
- Clay County Utility Authority
- Collier County
- Florida Keys Aqueduct Authority
- Fort Pierce Utilities Authority
- Seacoast Utility Authority
- St. Johns County

REQUESTING DEPARTMENTS:

IT

Utilities

FISCAL IMPACT:

Total cost \$948,718. A budget amendment will be submitted for appropriation on the next scheduled Budget Amendment. Pending approval of the budget amendment from Utilities Operating Undesignated Fund Balance (421-0000-392-3006), funds will be available in project 24WS26, in Utilities Operating Funds, 421-8011-536-3141 for professional services fee in the amount of \$690,080, and 421-8011-536-5403 for the initial software subscription fee in the amount of \$258,638.

STAFF RECOMMENDATION:

Motion to 1) approve the contract execution with the Utility Billing Solution provider (SpryPoint Services, Inc) in accordance with RFP 37-0-2023; and 2) approve the appropriation of funds on the next scheduled budget amendment in the amount of \$948,718.

ATTACHMENTS: