

CONSENT ITEM

Information Systems Advisory Committee, September 11, 2018
Board of Governors Meeting, September 26, 2018

CONTRACT ID:	ERP SOFTWARE LICENSES AND SUBSCRIPTION SERVICES – REDUCTION OF LICENSES AND ONE YEAR RENEWAL Contract No: 16-15-0029-01 Vendor: Application Software Technology, LLC (AST), as an authorized reseller for Oracle America, Inc.
BUDGETED	This Consent Item will reduce the amount of contract payments to the Vendor. The budget required for each contract year will be requested in the applicable Annual Operating Budget.
CONTRACT AMOUNT	The current contract amount is \$13,460,584 over a 10-year term (5 year initial term plus optional 5-year renewal). The amount allocated for Oracle Software Licenses and Subscription Services is \$5,177,434. This Consent Item will not add to the previously authorized amount.
CONTRACT HISTORY	This contract is a result of Invitation to Negotiate (ITN) No. 15-0029 issued on July 20, 2015 for Enterprise Resource Planning (ERP) Software and Services. On May 9, 2016, Citizens awarded the contract to AST. The contract was approved pursuant to an Action Item by the Citizens Board of Governors and became effective on July 1, 2016.
CONTRACT TERM	The Oracle licenses which resulted from the Board approval have an initial 5 year term with 5 one-year optional renewal terms. This Consent Item requests authorization to exercise the first one-year renewal term (8/1/2021 – 7/31/2022).
PURPOSE/SCOPE	<p>The Oracle licenses procured under the contract have an initial term of five years ending July 31, 2021. Citizens’ staff has determined that some of the licenses are no longer necessary and can be removed from the contract. The licenses to be removed are as follows:</p> <ul style="list-style-type: none">• Oracle Fusion Inventory Management (part no. B69729)• Oracle Fusion Project Financials (part no. B84628)• Oracle Fusion Project Management (part no. B73403)• Oracle Fusion Project Resource Management (part no. B73404)• Oracle Fusion Project Contract Billing (part no. B84629)• Oracle Fusion Task Management (part no. B73405) <p>Citizens is negotiating an alternative pricing schedule to remove the unnecessary licenses and allow for immediate savings to Citizens. As part of the negotiated agreement, Citizens would renew its remaining licenses for Year 6 (8/1/2021 – 7/31/2022). Citizens would retain its option to renew the licenses for Years 7, 8, 9 and 10. The savings under the new pricing schedule would apply to the current license year and each license year thereafter.</p>

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PROCUREMENT METHOD	The contract and licenses were procured by competitive solicitation (ITN 15-0029) in accordance with Citizens' Purchasing Policy and Section 287.057, Florida Statutes.
RECOMMENDATION	The Citizens' Information Systems Advisory Committee recommends the Citizens' Board of Governors: <ul style="list-style-type: none">a) Approve the request to reduce the Oracle ERP software licenses and exercise the first one-year contract renewal option as described above.b) Authorize staff to take any appropriate or necessary action consistent with this Consent Item.
CONTACTS	Kelly Booten, Chief, Systems and Operations Stephen Guth, VP, Vendor Management Office