Legislation Text

File #: 1352-2022, **Version:** 1

BACKGROUND:

This ordinance amends the 2021 Capital budget and authorizes the expenditure of $980,500 from the Auditor Bond fund for the technical and development work to the Auditor's financial system and Azure platform assets. This legislation authorizes the City Auditor to enter into contract with OnActuate Consulting for professional services and modify existing contracts with Microsoft Corporation and Dell Marketing LP to expand its Azure platform licensing, storage, and related services to accommodate expanded functionality and declares an emergency.

The City Auditor's Office has successfully migrated its financial system to Dynamics 365 Finance and Operations system (D365) and has been operational on the upgraded product since January of 2021. Part of the upgrade included code migration and customized extensions for continuing service operations. The project also included implementing Microsoft Point of Sale module included with D365 to replace a separate third party application to provide a seamless experience to end users and to reduce system complexity, maintenance, and licensing costs for the City as Point of Sale is included in D365 licensing.

Since going live in D365, the City has continued to receive regular release upgrades, quality updates, and more features base lined into the public sector industry version. When features are introduced in the regular industry product where the City may have custom extensions already built, adjustments are needed to replace the City's custom code with extensions that recognize these new baseline features to avoid software conflicts in current and future releases. Additional infrastructure capabilities are now available to link integrations between D365 and apps more tightly. One of many improvements is dual-write capabilities to write changes in D365 to a dataverse to provide automated dataflow for an integrated user experience across applications such as the City's Public and Vendor portal, used for supplier management and bidding. The portals need code alterations and other changes to use this functionality to improve the stability and responsiveness of these key applications

Another significant change requiring refactoring of D365 is the Software Development Kit (SDK) changes to the Point of Sale product by Microsoft. SDKs are the toolsets that allow extensions to the product to customize processing and posting within the module. Every several years, changes and enhancements are done by the software manufacture to the SDK. While implementing Point of Sale, the City, through its partner, built extensions using the existing SDK to facilitate functionality needed for cashiering operations at Health, Public Utilities, Public Service, Treasurer, and City Auditor's Office. In order to continue functionality of these programmed extensions, the platform code will need updated to work with the new SDK announced in 2022. This contract will include work to perform this code migration.

The initial implementation was also limited in scope to moving from DAX 2012 to D365 as well as implement point of sale for providing like for like functionality and replacing a third party application for cashiering. The implementation did establish a platform for modernization and opportunity future capabilities for interacting, sharing, and managing data. Now that D365 is operational and stabilized, the City can enhance and expand these capabilities by further extending this infrastructure to provide data visualizations, develop automated process applications to improve effectiveness, and public portals for transparently sharing City financial information.

Finally, the infrastructure work will allow the City to build a foundation for business continuity and integrations between the Dayforce and D365 applications.

A request for waiver of the formal competitive bidding requirements of Columbus City Code Chapter 329 is requested due to the need to quickly secure the services to avoid delays and interruptions to vital financial operations.

It is manifestly impractical to bid these services at this time as the SDK and platform changes need to be made prior to the October release and the work will take at least 4 months to complete and test after establishing a contract and initiating services. The City currently does not have the staffing or expertise to perform these services and to complete within the timeline allotted by the software manufacturer.

OnActuate has access to the City's Azure and D365 infrastructure as the City's named D365 partner of record with Microsoft. It is intimately familiar with the City's point of sale extensions, as well as the custom code migrated as part of the implementation and now needing adjusted in order to absorb the new features without creating conflicts in the data processing. OnActuate is also authorized to access and utilize Visual Studio subscriptions in the environment necessary for the code migration. Changing contractors at this time would require significant transition and ramp up time for providing the necessary access and knowledge needed to perform these services, while OnActuate, due to its role in both implementation and ongoing support can begin immediately. Additionally, the City Auditor' Office desires to leverage this update work in the platform to further automate processes and provide transparency with data visualizations.

While the platform and infrastructure updates are being put in place, enhancement and expansion of parts of the platform can be performed in parallel for maximum efficiency in use of time and resources. Ordinance No. 0824-2022, passed by Columbus City Council on April 18, 2022 authorized operating expenses for regular maintenance and support of the D365 product by OnActuate. This infrastructure and development work is not included in regular maintenance and support

Microsoft is the software manufacturer of D365 and the Azure platform used by the City for its financial and operations. Agreements for the infrastructure items are to be acquired through existing Enterprise Agreements. Dell Marketing, LP is the City's Microsoft Enterprise Agreement provider for years 2020-2023 as selected by the City's Department of Technology. Additional licensing, storage, and services related to this project are to be procured through the EA agreements previously established.

This ordinance is submitted as an emergency. Emergency action is requested to ensure that a contract is established by the City Auditor's to start and complete development work required for Microsoft SDK and platform changes, thus ensuring that the work will be completed timely in order to accept new releases to the product and to continue the functioning of D365 and the Point of Sale systems at various City Agencies.

FISCAL IMPACT:

This ordinance amends the 2021 Capital Budget to allocate for $980,500 for project work within the Auditor Bond Fund as follows:

Project Work Description	Amount
Azure storage, Database, Data factory, Microsoft Licensing	85,000
SDK, Dual write, code migration, process automation, automated testing	583,200
Establish Azure Data Lake, power platform, data visualizations, transparency portal, infrastructure development, intellectual property ownership	224,800
Additional development including: report writing, process automations, data exchanges, existing interface rework after data lake established	87,500

EMERGENCY DESIGNATION:

Emergency designation is being requested for this renewal to continue with services that are necessary to support daily operation activities and to ensure no service interruption.

CONTRACT COMPLIANCE:

OnActuate Consulting Inc., CC#CC027985, expires 6/28/2023, D365# 027985

Principal place of business: 777 Hornby St, Vancouver BC

Dell Marketing LP, CC#010030, expires 8/30/2023, D365#010030

Principal place of business: 1 Dell Way, Round Rock, Texas

To amend the 2021 Capital Improvement Budget; to authorize the City Auditor to contract with OnActuate Consulting and to modify the contract for Microsoft licensing and services through Dell Marketing LP; to waive the competitive bidding provisions of Chapter 329 of the Columbus City Code to enter into such contracts; to authorize the expenditure of $980,500.00 from the Auditor Bond fund; and to declare an emergency. ($980,500.00)

WHEREAS, professional technical and consulting services are needed by City Auditor's Office to upgrade D365 and Azure for manufacturer changes to product platform and Software Development Kits; and

WHEREAS, development work is necessary to expand the use of Azure, Power platform and extend data sharing and visualization capabilities of D365; and

WHEREAS, it is in the best interest of the City to waive the competitive bidding requirements of Chapter 329 of the City Code due to the need to quickly secure the services to avoid delays and interruptions to vital financial operations; and

WHEREAS, it is necessary to authorize an amendment to the 2021 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditures; and

WHEREAS, it is necessary to authorize the expenditure of $980,500.00 to provide for the development work; and

WHEREAS, an emergency exists in the usual daily operation of the City Auditor's Office in that it is immediately necessary to authorize the Auditor to enter into a contract with OnActuate for the services described above in order to avoid any disruption in service for the Vendor Services portal, Point of Sale operations at several City agencies, and D365 financial management system used citywide as system of record to record the details and facts of the receipts, disbursements, assets and liabilities of the City;

NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1: That the 2021 Capital Improvements Budget be amended as follows to establish sufficient authority for this project:

Fund/Project/Project Name/Current/Change/C.I.B. as Amended

7783/P783002-100002/Financial Systems/ (Unvoted Carryover)//$623,915/$531,904/$1,155,819   **to match cash**

SECTION 2: That the City Auditor be and is hereby authorized to enter into contract with OnActuate Consulting and to modify the contract for Microsoft licensing and services through Dell Marketing LP for professional services, licensing, and other services to upgrade City code and platform assets related to D365 and financial systems supported in Azure.

SECTION 3: That this Council deems it in the best interests of the City to waive the competitive bidding provisions of the Columbus City Code to enter into these contracts.

SECTION 4: That the expenditure of $980,500.00, or so much thereof as may be needed is hereby authorized from fund 7783 (Auditor Bond Fund) Dept./Div. No. 22-01 , Object Class 06, Main account 66530, Project P783002-100002 per the account codes in the attachment to this ordinance.

SECTION 5: That the monies in the foregoing Section 4 shall be paid upon order of the City Auditor, and that no order shall be drawn or monies paid except by voucher, the form of which shall be approved by the City Auditor.

SECTION 6. Funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance and the City Auditor shall establish such accounting codes as necessary.

SECTION 7. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 8: That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account within the same fund when said project has been completed and the monies are no longer.

SECTION 9: That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.