

**CITY OF COLUMBUS
BID WAIVER INFORMATION FORM**

TO ACCOMPANY LEGISLATION WHICH WAIVES ANY PROVISIONS OF COLUMBUS CITY CODES CHAPTER 329
(PLEASE LIMIT YOUR RESPONSE TO THIS SHEET)

1. Reasons for waiving City Code bid procedure:

- emergency breakdown causing unplanned need
 - item to be purchased is of a perishable nature
 - need to extend and existing contract
 - there is not enough time to obtain formal bids to satisfy need
 - non-price error on either the bidder's or the City's part in the bid proposal
 - a new law or regulation requires immediate compliance
 - other uniquely qualified service/product
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2. Detailed explanation of reason (must be completed by division):

Since 2001, the Inspection Services section, of the Public Service, Transportation Division, has solicited materials and demonstrations from potential software companies in an effort to identify a replacement solution to their existing inefficient, unreliable, and antiquated construction project and payment management system. From the beginning of that process it was immediately evident that, to gain a better understanding of what possible solutions existed, they were to seek out the methods and software other municipalities utilized. First, a brief description of the current business process issues, followed by the proposed new process, builds the parameters for the described solution.

Inspection Services Current Business Process Issues

The current processes for the aforementioned functional responsibilities primarily involve manual entries on paper forms, with the exception of payment estimates generated using an outdated COBOL program which compiles contract pay item quantities (manually "keyed-in" to the program). This manually-intensive process is immediately stricken with errors in the transcription process – the handwriting styles of more than 120 inspectors, as the custody of large volumes of paperwork is first transferred from inspector to supervisor, then from the supervisor to the employees in the Payments sub-Section who generate the estimates. Accordingly, as a safeguard to minimize such errors, the Payments sub-Section necessarily spends additional man-hours screening and asking questions about the manual entries prior to entering payment quantities in the failing COBOL program.

Similarly, errors currently exist for invoicing customers. Each pay period inspectors and their supervisors manually complete a "pink" time billing card that Fiscal employees utilize to generate invoices to customers for inspection services rendered.

Another, more primary, inefficiency of the current process is directly tied to the inability to reprogram or upgrade the outdated COBOL program – a fact confirmed by the City of Columbus, Department of Technology (DoT). Consequently, the Division has not been able to perform program upgrades, resulting in additional barriers to advancing operational efficiencies. Since 2000, this current COBOL system has had a major failure at least two separate times per year. When the system fails, several days of manual input to a complete billing cycle is lost without backup. In 2005, when the program was moved by DoT to a different server, the system crashed and it was down for two complete weeks. Often, the data becomes corrupted in the program and entries for a particular project are lost.

Proposed New Processes

The new automated processes will primarily be electronic. That is, rather than making manual entries on paper forms to document daily activities, construction inspectors will use laptop computers and/or hand-held PDAs to generate

the documentation – a supportive feature within the SharpeSoft product. The hardware will have contract-specific pay items pre-loaded for the inspectors to make electronic entries with. The pre-loading can be accomplished via a direct electronic link from the Project Production Section's contract bid-tabulation. Following a supervisor's review of daily report documentation, the daily pay item quantities are electronically "dumped" into the software's payment estimate generator. The quantities reside and "wait" in the software's payment estimate generator for a rolling 30-day period; at which point, the generator electronically generates a payment voucher that is sent to the City's owner Division (e.g., DOSD) for their approval and for their forwarding to the City Auditor's Office for payment. Note that the City is contractually obligated to generate contractor payments every 30 days.

In like manner, the new electronic processes will be capable of documenting inspectors' and supervisors' time for billing purposes. This process change would eliminate the need for spending man-hours each pay period to manually fill-out, and manually screen, the aforementioned "pink" time billing cards.

Product Research

The ensuing search process uncovered four major software companies that seemed to provide a possible solution, including Morf, Infotech, Accella and SharpeSoft. Organizations/municipalities contacted, that were utilizing these unique services, included the City of Cleveland (OH), Ohio Department of Transportation, Franklin County (OH), State of Pennsylvania Department of Transportation, City of Columbus Dept of Utilities and Department of Technology. Two of these municipalities inquired, (ODOT, Franklin County) were already considering switching from their own product to SharpeSoft based upon their own extensive testing and research. After further review of each of the four aforementioned software products, and the interests of the organizations named, it was quickly determined that the most reliable, all-encompassing solution to the needs of Inspection Services, and the City of Columbus, would be best provided by the Integrated Project Management system by SharpeSoft, Inc. (SharpeSoft IPM).

At present, Franklin County has already purchased the SharpeSoft product and is more than pleased with the results; the County POC indicates full implementation and official use of the product will occur by the end of summer 2007. By using the same project management system as an adjacent municipality, such as Franklin County, the possibilities of cross-utilization and a true paperless exchange of information can be realized to its full potential – the City of Columbus and Franklin County contract many of the same companies. Additionally, the Department of Utilities has expressed interest in a cost-sharing plan to purchase the SharpeSoft product with Public Service in the event the system is advanced to full-scale implementation because of the potential for a paperless system along with the benefits of cross-utilization.

Further documentation exists indicating that each of the other companies contacted (Accella, Morf, InfoTech) would be required, due to their current product's limitations, to develop a custom application in order to meet the expressed needs of Inspection Services. SharpeSoft, Inc. provided the most responsible solution with their current out-of-the-box product that can be integrated into Inspection Services' work processes in the most efficient and cost-effective manner. This fact is most evident with the confirmed use by the State of Pennsylvania Department of Transportation, the City of Cleveland and Franklin County.

Summary

The preceding sections include descriptions of several operational process changes which are expected to yield almost immediate efficiency gains. Of the potential vendors informally contacted, SharpeSoft, Inc. by far provides the best solution to the issues stated – while currently meeting similar needs for Franklin County. The following is a list for points of impact provided by SharpeSoft:

- Reduce staff payment processing time by about 50%
- Close-out projects within 90 days (versus upwards of 1 year)
- Free-up under-spent CIP funds sooner
- Release contractors' bond sooner
- Accelerate force account reconciliation
- Ability to reduce contractor payment frequency (perhaps from 30 days to 15 days)
- Facilitate easier and more accurate accounting for federal/state matching fund splits
- Enable on-line bidding
- Enable faster and more accurate screening of Engineer's Estimates (via archived historical bid prices)
- Enable faster and more accurate project tracking via a "dashboard" feature
- Enable easy electronic transmittal of "dashboard" data amongst designated project teammates

It is hereby concluded that all research, conducted in the spirit of replacing the current failing software used by the Inspection Services section of Transportation, indicates that the most cost-effective, responsible solution to the issues of the current payment management system rests with the planned purchase of SharpeSoft IPM.

3. Informal procedure used:

telephone quotations

written quotations

negotiations

4. Informal bids received and prices for each:

N/A

5. If lowest bid was not accepted, explain criteria for award:

N/A

ORDINANCE #: 1238-2007

APPROVED BY: Authorized Approval on Corresponding Legislative File

DATE: 11-6-07
