



## Legislation Text

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**File #: 2219-2023, Version: 1**

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This ordinance authorizes the expenditure of \$450,000 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 modify an existing 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. This ordinance supports expansion and enhancement of the financial system through consulting, development, and implementation of new features, interfaces, analytics, data mining, updates, and product extensions, as well as system activities related to banking modernization efforts at City outside normal support and maintenance agreements. This activity will take place in the Auditor's Azure tenant and the Dell contract will allow the City to develop and deploy additional services in the Microsoft cloud platform.

A request for waiver of the formal competitive bidding requirements of Columbus City Codes Chapter 329 is requested due to the need to quickly secure the services to avoid delays and interruptions to vital financial operations, as well as support banking modernization efforts.

The City currently does not have the staffing or expertise to perform these services. As the City's named D365 partner of record with Microsoft, OnActuate already has access to the City's Azure and D365 infrastructure, DevOps, and Microsoft support. It is intimately familiar with the City's point of sale and D365 environments and extensions. It is also authorized to access and utilize existing Visual Studio subscriptions in the environments necessary for code development and deployment. Ordinance No. 1084-2023, passed by Columbus City Council on April 24, 2023 authorized operating expenses for regular maintenance and support of the D365 product by OnActuate. Adding another contractor would add security and product compatibility risk and additional licensing costs. The additional consulting and technical work for the initiatives covered by this contract are not included in the regular maintenance and support agreement. Ordinance 1352-2022, passed by Columbus City Council on May 23, 2022 authorized original contract for D365 and Azure professional technical, functional, development, and programming services with OnActuate. This ordinance would modify and extend the term of the contract for the scope of services to be consistent and run concurrent with the support contract term. The support contract with OnActuate expires March 31, 2025. The City Auditor anticipates running this contract concurrently and bidding the support and professional services through issuance of an RFP in 2024.

Additional licensing, storage, and services related to this project are to be procured through the enterprise agreements previously established for Microsoft products and services. Microsoft is sole source as software manufacturer of D365, Azure and Power platform used by the City for its financial operations. These terms are to be acquired through existing Enterprise Agreement. Dell Marketing, LP is the City's Microsoft Enterprise Agreement provider for years 2020-2023 as selected by the City's Department of Technology and this agreement is referencing the State of Ohio Term schedule that procures this software through Dell. The State Term Schedule is valid through June 30, 2025. OnActuate is also a sole source provider since it is defined with Microsoft as the City's partner of record and is the only partner authorized to access City's Dynamics environment.

### **FISCAL IMPACT:**

Funding is available in the 2023 Capital Budget to allocate for \$450,000 for project work within the Auditor Bond Fund as follows:

Project Work Description	Amount
Azure storage, Database, Power platform, Microsoft Licensing	50,000
OnActuate professional services	400,000

**EMERGENCY DESIGNATION:**

Emergency designation is being requested for contract to continue with services that are necessary to support banking modernization efforts and to ensure no service interruptions for any changes required in D365, Point of Sale, or Azure Power Platform. These services are vital to continue services for the City's financial system, Dynamics 365, without interruption and begin development work necessary for supporting City's banking modernization efforts for processing transactions. Delay in contracting and project work would put financial transactions at risk such as vendor payments, PO confirmations, and recording of revenue in a timely manner. Without access to these professional services, D365 would not be able to function properly, nor process the interface and other changes required for banking services.

**CONTRACT COMPLIANCE:**

OnActuate Consulting Inc., CC#CC027985, expires 4/5/2025, 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 authorize the City Auditor to modify and extend the 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 Columbus City Code to extend such contracts; to authorize the expenditure of \$450,000.00 from the Auditor Bond fund; and to declare an emergency. (\$450,000.00)

**WHEREAS**, professional technical and consulting services are needed by City Auditor's Office to extend D365 and Point of Sale; and

**WHEREAS**, development work is necessary to expand the use of Azure, Power platform, and enhance analytics and data mining of D365 data; 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 the expenditure of \$450,000 from the Auditor's Bond Fund; and

**WHEREAS**, Microsoft, Dell, and OnActuate are sole source providers;

**WHEREAS**, an emergency exists in the usual daily operation of the City Auditor's Office in that it is immediately necessary to authorize the City Auditor to modify existing contracts with OnActuate, Microsoft, and Dell for the services described in order to avoid any potential disruption in service for the City's financial system Dynamics D365. Delay could put financial transactions at risk and cause failures in functionality such as vendor payments, PO confirmations, and recording of revenue in a timely manner;

**NOW, THEREFORE,**

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

**SECTION 1:** That the City Auditor be and is hereby authorized to modify its professional services 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 2:** That this Council deems it in the best interests of the City to waive the competitive bidding provisions of the Columbus City Code to extend these contracts.

**SECTION 3:** That the expenditure of \$450,000.00, 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 4:** 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 5.** 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 6.** 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 7:** 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 needed.

**SECTION 8:** 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.