



Legislation Text

File #: 0128-2008, **Version:** 1

BACKGROUND: This Ordinance authorizes the Director of Public Utilities to modify and increase an existing contract with SPL WorldGroup, Inc. (now Oracle Corporation), for a post-implementation assessment of the Computerized Maintenance Management System (CMMS) installed and being used by all divisions of the department. The assessment report will document interviews and provide a summary of potential adjustments to business processes, application configuration and will provide additional end-user training. Based on the findings in the assessment report, the City of Columbus may need to procure further services from Oracle Corporation to address any of the recommendations identified in the assessment report.

Training workshops for addressing Business and Application improvements will consist of Oracle working with staff to expand the department's use of the application. This will consist of on-site training that will target specific application areas and educate department staff on how the application can be used and to assist in the configuration of the application to assist staff in addressing their business requirements.

This Ordinance also officially recognizes the company name change from SPL WorldGroup, Inc. to Oracle Corporation and authorizes the Public Utilities Director to assign all past, present, and future City of Columbus business transactions with SPL WorldGroup, Inc. to Oracle Corporation as required by the City Auditor.

Contract Compliance Info: 84-1332677, expires 5/7/09, Majority

Emergency Designation: It is requested that this Ordinance be handled in an emergency manner so that the planned start date of March 2008 remains intact.

Amount of additional funds to be expended: \$302,939

Original contract amount: \$1,600,000

Amount of original contract and modifications #1-2: \$2,202,939

Reasons additional services could not be foreseen:

Implementation of the software department wide has allowed staff to fully realize the potential capabilities of the software. In order to expand staff knowledge of the full capabilities and capacity of the system it is necessary to work closely with Oracle. Oracle Corporation suggested the scope of services for this post-implementation assessment and training and the department wishes to proceed with this extremely worthwhile phase. Future implementation of department wide asset management depends on a fully functional, consistent and well understood CMMS.

Reason other procurement processes are not used:

Original contract was set up as a sole source contract. The software being implemented is proprietary to Oracle Corporation.

How cost of modification was determined:

The fees are based on an hourly rate for their staff to be on site. The total estimate for training, GIS/WASIMS interface and the post-implementation assessment is \$302,939.

FISCAL IMPACT: This project was not budgeted in the various Public Utilities division's operating budgets for 2008, however, expenditures will be reprioritized to accommodate this expenditure without increasing the existing budget.

To authorize the Director of Public Utilities to modify and increase an existing contract with SPL WorldGroup, Inc. (now Oracle Corporation) for a post-implementation assessment and further training of the Computerized Maintenance Management System (CMMS), for the divisions within the Department of Public Utilities in accordance with the provisions of sole source procurement of the Columbus City Code; to authorize the expenditure of \$302,939.00 from the various division's operating funds; to officially recognize the company name change from SPL WorldGroup, Inc. to Oracle Corporation, and to declare an emergency. (\$302,939.00)

WHEREAS, the Director of Public Utilities, under the authority of Ordinance 0951-2005, passed June 20, 2005, entered into contract EL005533, with SPL WorldGroup Inc., as the sole proprietor of the software for the Computerized Maintenance Management System being implemented for the divisions within the Department of Public Utilities; and

WHEREAS, Modification No. 1 was authorized by Ordinance No. 1816-2006, passed November 6, 2006; was executed November 21, 2006; and was approved by the City Attorney on November 28, 2006; and

WHEREAS, a second modification to the contract is needed in order to pay for a post-implementation assessment, GIS and WASIMS interface and further training; and

WHEREAS, Oracle Corporation has acquired SPL WorldGroup, Inc.; and

WHEREAS, the City Auditor's Office requires that these changes be officially acknowledged by Columbus City Council; and

WHEREAS, to facilitate the Department of Public Utilities's uninterrupted payments to this vendor, it is necessary to assign all past, present, and future business to their successor firm; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Utilities in that it is immediately necessary to authorize the Director of Public Utilities to modify the existing contract with SPL WorldGroup, Inc. (now Oracle Corporation), for a post-implementation assessment, GIS and WASIMS interface and further training of the Computerized Maintenance Management System, in an emergency manner, for the immediate preservation of public health, peace, property and safety; now, therefore,

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

SECTION 1. That the Director of Public Utilities be and is hereby authorized and directed to modify and increase an existing contract with SPL WorldGroup, Inc. (now Oracle Corporation), for the Computerized Maintenance Management System, and to increase the contract by an amount of \$302,939.00.

SECTION 2. That the City Auditor be and hereby is authorized to assign all past, present, and future City business with SPL WorldGroup, Inc. to Oracle Corporation, 500 Oracle Parkway, Redwood Shores, CA 94065.

SECTION 3. That this contract modification is in compliance with sole source provisions of Section 329.07 and contract modification provisions of Section 329.16 of Columbus City Codes, 1959.

SECTION 4. That to pay the cost of the aforesaid contract modification, the expenditure of \$302,939.00, or so much thereof as may be needed, is hereby authorized as follows:

<u>Fund Name</u>	<u>Fund No.</u>	<u>Dept/ Div No.</u>	<u>OCA Code</u>	<u>OL3</u>	<u>Amount</u>
Electricity Operating Fund	550	60-07	600700	3369	\$ 6,058.78
Water Works Operating Fund	600	60-09	601849	3369	\$ 109,058.04
Sewer System Operating Fund	650	60-05	605006	3369	\$ 109,058.04
Storm Sewer Operating Fund	675	60-15	675002	3369	\$ 78,764.14
			Grand Total		\$302,939.00

SECTION 5. That for reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is 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.