



Legislation Text

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MOTION TO APPROVE CONTRACT BETWEEN HYLAND SOFTWARE, INC AND THE CITY OF PEMBROKE PINES TO UPGRADE THE CITY'S CURRENT ON-PREMISE HYLAND ONBASE DOCUMENT MANAGEMENT SOFTWARE AND DATABASE AND MIGRATING TO HYLAND'S HOSTED CLOUD PLATFORM FOR AN AMOUNT NOT TO EXCEED \$163,378.40, FOR AN INITIAL THREE YEAR PERIOD.

PROCUREMENT PROCESS TAKEN:

- ***Chapter 35 of the City's Code of Ordinances is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."***
- ***Section 35.15 defines a Request for Proposal as "A written solicitation for competitive sealed proposals with the title, date and hour of the public opening designated. A request for proposals shall include, but is not limited to, general information, functional or general specifications, a statement of work, proposal instruction and evaluation criteria. All requests for proposals shall state the relative importance of price and any other evaluation criteria. The city may engage in competitive negotiations with responsible proposers determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of and conformance to the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals and such revisions may be permitted after submissions and prior to award for the purpose of obtaining the best and final offer."***
- ***Section 35.18 of the City's Code of Ordinances is titled "COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED; EXCEPTIONS."***
- ***Section 35.18(A) states, "A purchase of or contracts for commodities or services that is estimated by the Chief Procurement Officer to cost more than \$25,000 shall be based on sealed competitive solicitations as determined by the Chief Procurement Officer, except as specifically provided herein."***
- ***Section 35.19 of the City's Code of Ordinances is titled "SEALED COMPETITIVE BIDDING PROCEDURE."***
- ***Section 35.19(A) states, "All sealed competitive solicitations as defined in §35.18 shall be presented to the City Commission for their consideration prior to advertisement."***
- ***Section 35.21 of the City's Code of Ordinances is titled "AWARD OF CONTRACT."***
- ***Section 35.21(A) of the City's Code of Ordinances is titled "City Commission approval."***

- **Section 35.21(A)(1) states, "An initial purchase of, or contract for, commodities or services, in excess of \$25,000, shall require the approval of the City Commission, regardless of whether the competitive bidding or competitive proposal procedures were followed."**
- **Chapter 35.28 of the City's Code of Ordinances is titled "CHANGE ORDERS."**
- **Chapter 35.28(B) states that "Notwithstanding the provisions of division (A), the City Manager is not authorized to approve a change order without authorization of the City Commission where the initial purchase required the City Commission's approval and where the sum of all change orders issued under the contract exceeds 5% of the original contract amount or \$25,000."**
- **Section 35.18(C) states that "Only the following situations are exempt from the competitive bid and competitive proposal requirements of this section:"**
- **Pursuant to Section 35.18(C)(7)(i) of the City's Code of Ordinances, "Software licensing and maintenance with the company from which the software was purchased, or its authorized representative;"**

SUMMARY EXPLANATION AND BACKGROUND:

1. On June 18, 2014, Commission awarded RFP # IT-13-10 "Integrated Agenda and Document Management Suite" to Hyland Software, Inc.
2. The original project proposed by Hyland included its Document Management solution OnBase and its Agenda Management solution called SIRE Agenda Plus.
3. In January of 2015, Hylands contacted the Technology Services Director about possibly changing the SIRE product offered for the Agenda Management solution to a newly developed program under the same name as the Document Management solution; OnBase. Hyland stated that they were no longer going to deploy the SIRE product and were transitioning their new clients to the newly developed OnBase program.
4. On June 17, 2015, the City Commission approved an amendment of the master software license, services and support agreement between the City and Hyland Software, Inc. amending the Agenda Management software program being purchased from SIRE to OnBase and reducing the overall project cost by \$19,595.
5. On August 17, 2016, the City Commission approved an amendment of the master software license services and support agreement between the City and Hyland Software, Inc. removing Hyland's Agenda Management software program as it did not meet the City's requirements, for a credit of \$38,000, and leaving their Document Management solution.
6. The maintenance fees in the current contract for the on-premise solution costs \$16,695.93 for the 2022 calendar year.
7. Hyland has announced their intentions to make new features for their Document Management solution available only to their cloud hosted clients. To continue to keep the software relevant and have access to new features, the City would need to migrate to Hyland's hosted cloud platform.

8. Upgrading to Hyland's hosted cloud platform also provides for the following benefits -
- a. Disaster recovery - Hyland Cloud platform would include strong disaster recovery protocols including contractual commitments for recovery point objectives (RPO) and recovery time objectives (RTO).
 - b. Data availability - Failover exercises, incident response and resource utilization monitoring are part of all deployments in the Hyland Cloud platform contribute to the 99.99 percent historical uptime provided by managed cloud.
 - c. Cost savings - Hosting in the Hyland Cloud platform would reduce infrastructure costs (servers) and operational costs like additional staffing needed for database maintenance and software upgrades.
 - d. Data security - The Hyland Cloud platform leverages best-in-class security standards to safeguard your information.
 - e. Geographical disbursement - Hyland's cloud platform provides highly available environments and geographically diverse data center locations allowing for enhanced performance and reliability.
9. As a result, the City's Technology Services Department and City Clerk's Office is requesting to transition to the cloud hosted solution in lieu of the on-premise solution. In lieu of amending the existing agreement, Hyland is requesting for the City to enter into a new agreement with Hyland, for the cloud hosted solution, which will replace the City's existing, on-premise, Hyland Agreement.
10. The proposed agreement includes an initial period of three (3) years with the cost of Year 1 at \$35,824.00 plus a one-time migration fee of \$52,650.00 for a total of \$88,474.00; Year 2 in the amount of \$36,898.70 and Year 3 in the amount of \$38,005.70 for a three year total of \$163,378.40.
11. Request Commission to approve the contract between Hyland Software, Inc. and the City of Pembroke Pines to upgrade the City's current on-premise Hyland OnBase Document Management Software and Database and migrating to Hyland's hosted cloud platform for an amount not to exceed \$163,378.40, for an initial three year period.

FINANCIAL IMPACT DETAIL:

a) Initial Cost: \$163,378.40 for an initial three year period. (Year 1 at \$35,824.00 plus a one-time migration fee of \$52,650.00 for a total of \$88,474.00; Year 2 in the amount of \$36,898.70 and Year 3 in the amount of \$38,005.70 for a three year total of \$163,378.40.)

b) Amount budgeted for this item in Account No:

001-513-2002-534995-0000-000-0000- (I.T. Contractual Services), \$52,650.00

001-513-2002-546801-0000-000-0000- (I.T. Maintenance contracts), \$35,824.00

c) Source of funding for difference, if not fully budgeted: Not Applicable.

d) 3 year projection of the operational cost of the project :

	Current FY	Year 2	Year 3
Revenues	\$ -	\$ -	\$ -
Expenditures	\$ 88,474.00	\$ 36,898.70	\$ 38,005.70
Net Cost	\$ 88,474.00	\$ 36,898.70	\$ 38,005.70

e) Detail of additional staff requirements: Not Applicable.

FEASIBILITY REVIEW:

A feasibility review is required for the award, renewal and/or expiration of all function sourcing contracts. This analysis is to determine the financial effectiveness of function sourcing services.

a) Was a Feasibility Review/Cost Analysis of Out-Sourcing vs. In-House Labor Conducted for this service? Not Applicable.

b) If Yes, what is the total cost or total savings of utilizing Out-Sourcing vs. In-House Labor for this service? Not Applicable.

Reviewed by Commission Auditor.