



AGENDA REPORT

TO: G. Harold Duffey
Interim City Administrator

FROM: Tony Batalla
Director, Information
Technology Department

SUBJECT: Oracle Business Intelligence and
Analytics Consulting Services

DATE: February 7, 2023

City Administrator Approval:

Date: Feb 23, 2023

RECOMMENDATION

Staff Recommends That The City Council Approve A Resolution: (1) Authorizing The City Administrator To Execute An Agreement With Fusion BI, Inc. For One Hundred Five Thousand Dollars (\$105,000) For Oracle Business Intelligence And Analytics Consulting Services For A One (1) Year Term With The Option To Extend For An Additional One (1) Year For A Total Amount Not To Exceed Two Hundred Ten Thousand Dollars (\$210,000); And (2) Waiving The City's Local Business/Small Local Business Utilization Requirements

EXECUTIVE SUMMARY

Staff Recommends that the City Council approve a resolution authorizing the City Administrator to execute an agreement with Fusion BI, Inc. for a combined amount not to exceed two hundred ten thousand dollars (\$210,000.00). This resolution authorizes \$105,000.00 in FY22-23 and \$105,000.00 in FY23-24 for the annual renewal of Oracle Business Intelligence and Analytics Consulting Services. A draft of the professional services agreement is provided as **Attachment A**. The Information Technology Department (ITD) and Finance Department have jointly determined that these consulting services are needed to support mission-critical City business operations related to the Oracle Enterprise Resource Planning (ERP) system and that Fusion BI, Inc. is the best service provider to meet these needs.

BACKGROUND / LEGISLATIVE HISTORY

Since 2002, the City has used products and services from Oracle America Inc. to perform critical business operations, including procurement, account receivable/payable, budgeting, personnel and payroll. The City maintains an annual subscription for priority support from Oracle for these products and services, which includes emergency support and regular software updates. These services are critical to maintaining the City's business operations.

The Legislative History relevant to this project, includes:

City Council
March 7, 2023

- On June 10, 2019, the City Council adopted [Resolution No. 87732 C.M.S.](#) that waived the competitive solicitation process for the purchase of professional services for the ongoing support for budget implementation and budget system operations and maintenance for the Oracle Planning and Budgeting Cloud Service ("PBCS") and authorizing the City Administrator to extend the contract for professional services with InnoFin Solutions LLC to provide ongoing support for budget implementation, and budget system operations and maintenance for the Oracle Planning and Budgeting Cloud Service ("PBCS") for two years, from July 1, 2019, to June 30, 2021, in the amount of one hundred fifty thousand dollars (\$150,000) per year, with a total contract amount of three hundred thousand dollars (\$300,000).
- On October 3, 2017, the City Council adopted [Resolution No. 86922 C.M.S.](#) authorizing the City Administrator or designee to appropriate \$2.2 Million from the City's Development Services Fund (2415) Balance to fund the Oracle R12 Reimplementation Project.
- On October 6, 2015, the City Council adopted [Resolution No. 85825 C.M.S.](#) that authorized the City Administrator or designee to execute master lease agreement(s) with IBM Credit LLC for financing not to exceed an amount of \$17,000,000, a term of 7 years and an interest rate of 3.5% tax-exempt and/or 5.5% taxable; and waived competitive selection requirements for the financing agreement(s). Resolution No. 85825 also stipulated that the proceeds of the financing were to fund: (A) current information technology systems operations and maintenance; (B) a project to upgrade/implement the Oracle Systems, including hardware, software, professional services, support and maintenance; (C) a project to implement a new municipal budgeting system including hardware, software, professional services, support and maintenance; and (C) a project to replace and improve 9-1-1 public safety systems including hardware, software, professional services, support and maintenance. In addition, the resolution approved the recommendations of the City Administrator for the award of contracts to provide professional services to upgrade/implement the Oracle Systems and to implement a new municipal budgeting system based on the results of the competitive selection process; and authorized the City Administrator or designee to negotiate and enter into professional services contracts with the approved firms.
- On July 30, 2013, the City Council adopted [Resolution No. 85459 C.M.S.](#) that authorized The City Administrator or designee to execute a master lease agreement, municipal payment plan, and all related documents with IBM Credit LLC and Oracle Credit Corporation, for financing in an amount not to exceed \$19,250,000 for a term of not more than 7 years and an interest rate not to exceed 3.5% tax-exempt and/or 4.8% taxable, to provide funding to enter: (1) a renewal of on-going information technology operations and maintenance agreements and (2) hardware, software, professional services and maintenance agreements to upgrade and enhance Oracle, Microsoft and public safety systems. In addition, the City Council authorized entry into information technology agreement(s) for upgrades to existing systems without returning to Council and waived competitive bidding, advertising and request for proposals/qualification process requirements for financing and information technology agreement(s).
- On December 7, 2010, the City Council adopted [Resolution No. 83047 C.M.S.](#) that waived the request for qualifications or proposal requirements of the Oakland Municipal Code, and awarded a five-year term contract to Vertex Inc., Berwyn, PA., to provide taxation data for the Oracle Payroll Software System for a payment of approximately eleven thousand dollars (\$11,000.00) annually, with an option to increase the contract by 5% each year of the contract, for a grand total not-to-exceed sixty-four thousand dollars (\$64,000.00).

- On March 18, 2008, the City Council adopted [Resolution No. 81126 C.M.S.](#) that authorized The City Administrator to enter into a services agreement with AST Corporation to provide consulting services for the implementation of the Oracle Public Sector Budgeting Computerized System in an amount not-to-exceed \$525,000.00, and appropriated five hundred twenty five thousand dollars (\$525,000.00) from the Telecommunications Land Fund (1770), balance to the Telecommunications Land Use Fund (1770), Capital Improvement Project - Information Technology (94461), Miscellaneous Contract Services (54919), Oracle Public Sector Budgeting (C336510), And Application Development And Administration (IP69).
- On September 30, 2003, the City Council accepted an [informational report regarding Resolution No. 78018 C.M.S.](#) that authorized the City Manager to negotiate and execute a 5-year licensing and support agreement with Oracle Corporation for the City's human resources, payroll and financial applications software for an amount not-to-exceed four million, one hundred thirty-two thousand, one hundred twenty-four dollars (\$4,132,124.00) as approved by the City Manager during the City Council 2003 Annual Recess.
- On August 5, 2003, the City Council adopted [Resolution No. 78018 C.M.S.](#) that authorized the City Manager to negotiate and execute a 5-Year licensing and support agreement with Oracle Corporation for the City's human resources, payroll and financial applications software for an amount not-to-exceed three million nine hundred thirteen thousand six hundred twenty-seven dollars (\$3,913,627.00).
- On June 25, 2002, the City Council adopted Resolution No. 77218 C.M.S. that authorized the City Manager to: 1) negotiate and execute a professional services contract with the selected qualified vendor to perform the Oracle 11i upgrade services for an amount not to exceed one million seven hundred thousand dollars (\$1,700,000), 2) execute lease agreements with vendors for the associated Oracle 11i upgrade server and workstation hardware/software acquisitions and installations for an amount not to exceed four hundred eighty thousand dollars (\$480,000), 3) execute agreements with vendors for the associated Oracle 11i upgrade hardware/software maintenance, support, and licensing for an amount not to exceed eighty thousand dollars (\$80,000), 4) execute agreements for the associated Oracle 11i upgrade training for an amount not to exceed fifty thousand four hundred dollars (\$50,400), 5) set aside a contingency amount of one hundred fifty thousand dollars (\$150,000), for a total Oracle 11i upgrade cost of two million five hundred thousand dollars (\$2,500,000), to include sales taxes in the amount of approximately thirty-nine thousand six hundred dollars (\$39,600).
- On June 25, 2002, the City Council accepted a report and recommendation from the Director, Office of Information Technology, for a proposed resolution authorizing the City Manager to: 1) negotiate and execute a professional services contract with the selected qualified vendor to perform the Oracle 11i upgrade services for an amount not to exceed one million seven hundred thousand dollars (\$1,700,000), 2) execute lease agreements with vendors for the associated Oracle 11i upgrade server and workstation hardware/software acquisitions and installations for an amount not to exceed four hundred eighty thousand dollars (\$480,000), 3) execute agreements with vendors for the associated Oracle 11i upgrade hardware/software maintenance, support, and licensing for an amount not to exceed eighty thousand dollars (\$80,000), 4) execute agreements for the associated Oracle 11i upgrade training for an amount not to exceed fifty thousand four hundred dollars (\$50,400), 5) set aside a contingency amount of one hundred fifty thousand dollars (\$150,000), for a total Oracle 11i upgrade cost of two

million five hundred thousand dollars (\$2,500,000), to include sales taxes in the amount of approximately thirty-nine thousand six hundred dollars (\$39,600).

ANALYSIS AND POLICY ALTERNATIVES

The City has used products and services from Oracle America, Inc. since 2002 to support, maintain, and enhance its most critical business operations including procurement, accounts receivable / payable, budgeting, personnel and payroll.

The Finance Department and ITD jointly determined that consulting services were needed to support the following ongoing functions in the Oracle system:

- 1. Migration, Upgrade and Support of Oracle Business Intelligence and Analytics (OBIEE/OBIA)**
 - a. Construct and implement migration & upgrade plans for the City's OBIEE/OBIA systems and products;
 - b. Restore and validate the OBIEE, OBIA, and Oracle Data Integrator in non-production and production environments;
 - c. Reinstate the integration between OBIEE/OBIA and Oracle EBS in the non-production and production environments;
 - d. Verify access, security, and availability of OBIEE/OBIA;
 - e. Recommend and implement improvements to OBIEE, OBIA, and Oracle Data Integrator systems and applications;
 - f. Restore and validate all OBIEE/OBIA reports;
 - g. Retrofit impacted OBIEE/OBIA report;
- 2. Support and Maintenance of City's Business Intelligence and Analytic systems and Products**
- 3. All Reporting systems support and development**
 - a. Sync up security/access in all BI instances, Production, Test and Dev;
 - b. May develop/support Single sign-on access to the reporting platform;
 - c. Expand data source support beyond Oracle EBS such as Microsoft SQL;
 - d. Resolve any issues related to the City's OBIEE/OBIA;
 - e. Deploy maintenance, security, update, and product specific patches for the City's OBIEE/OBIA systems and products;
 - f. Administer the City's OBIEE/OBIA instances;
 - g. Maintain Oracle Data integrator and ETLs
- 4. Development**
 - a. Enhance existing reports by doing necessary modifications as requested by departments;
 - b. Create new reports as requested by departments

It is assumed that the consultant will provide the services outlined above remotely. There will not be any travel or out-of-pocket cost reimbursed to the consultant. The consultant will provide a weekly status report to the City following weeks in which development/support hours are incurred, to mutually track the balance of remaining hours.

The Finance Department conducted a Request for Proposals (RFP) to solicit bids from qualified consultants for this work. On November 25, 2022, proposals were due by 2:00 PM via Supplier to Department of Workplace and Employment Standards for the above-named project. Only one proposal was received. Please refer to **Attachment B** which contains a proposal summary for Oracle Business Intelligence (BI) support.

Below is the consultant who submitted proposals by the required deadline:

1. Fusion BI Inc

Upon reviewing the proposal, the Finance Department and ITD both determined the consultant was sufficient to meet the needs of the City, based on their work history, experience with Oracle, and previous quality of work with the City. As such, Finance and ITD jointly recommends awarding the contract to Fusion BI, Inc.

If this work is not carried through, it could have damaging impacts on the City's ability to maintain its Oracle operations and successfully upgrade to Oracle Cloud Infrastructure.

Funding allocated for this contract is expected to support the Citywide priority of responsive, trustworthy government. The consultant will assist with the City's upgrade to a more secure and responsive financial system, which will enhance the integrity of the City's financial information and enable City staff to perform analyses of such data with greater efficiency.

Waiver of Advertising, Bidding, Multi-Step Proposal Competitive Solicitation Process, and of the Local Business/Small Local Business Enterprise Utilization Program Requirements

Oakland Municipal Code ("O.M.C.") Title 2, Chapter 2, Article I, Section 2.04.050 requires formal advertising and competitive bidding when the City purchases services, supplies or a combination thereof that exceeds \$50,000.00. However, O.M.C. Title 2, Chapter 2, Article I, Section 2.04.050.1.5 permits the Council to waive formal advertising and competitive bidding upon a finding and determination that it is in the best interests of the City to do so

O.M.C. section 2.04.042B requires a multi-step proposal competitive solicitation process for the procurement of computerized/information technology systems (combined purchase of products and IT professional services). Under O.M.C. section 2.04.042 D, the Council may waive this solicitation process if it finds and determines that it is in the best interests of the City to do so.

Additionally, Ordinance numbers 13640 and 13647 C.M.S. require a minimum 50-percent (50%) Local Business Enterprise/Small Local Business Enterprise ("LBE/SLBE") participation for all purchase of commodities, goods and associated services for contracts valued at or over fifty thousand dollars (\$50,000) when there are at least three certified business listed in the industry, trade, or profession that constitutes a major category of work.

However, the City Council may waive the City's LBE/SLBE requirements for the purchase of commodities, goods, services, supplies or combination thereof due to a lack or limited availability of SLBEs or LBEs pursuant to Part I of Oakland's Local and Small Local Business Enterprise Program guidelines adopted by Ordinance No. 13647 C.M.S.; and also when it is in the best interests of the City to do so.

Staff has not been able to identify any or a limited availability of certified LBE/SLBEs that can provide the professional services that are required under this contract. Thus, staff requests that the City Council waive the LBE/SLBE utilization requirements for this proposed contract award and because it is in the best interests of the City as discussed in this report.

ITD Staff recommends, pursuant to O.M.C. Section 2.04.050.1.5 and Section 2.04.042.D, that the City Council finds that it is in the best interests of the City to waive formal advertising, bidding and the multi-step proposal competitive solicitation process requirements; and the Local Business/Small Local Business Utilization requirements for the above purchase expenditures due to the time-sensitive nature of the project. There is currently no one in the City with the knowledge that is required for this work. Additionally, Oracle Cloud migration project has started and a consultant that has a knowledge of our Business Intelligence infrastructure is required.

FISCAL IMPACT

Funding for this project was previously approved by the City Council through the City's Midcycle FY 2022-23 budget process in the General Fund (1010) in the Finance Department in the amount of \$105,000.00

ITD and the Finance Department recommend approving the ability to extend the agreement for an additional year in FY 2024 for the same amount of \$105,000.00. Funding for the extension has not been approved and must be included in the current Biennial FY2023-25 budget process.

COORDINATION

This report and legislation have been reviewed by the Information Technology Department, Finance Department, Office of the City Attorney, the Controller's Bureau, and City Administrator's Office.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP (If Applicable)

Past Performance/Evaluation: If applicable, describe the performance of contractors, business enterprises, and/or grantees being recommended to receive City funds. Specifically, this includes any details of performance from the past such as the dates of the previous contract, the amount of City funds awarded to the entity, the measurements used to gauge performance and the actual performance of the entity over that time period. In addition, state any current performance measures that will be used associated with the contract/activity resulting from the recommended action. If providing this information as an attachment, summarize in this section the past performance/evaluation with a reference to the attachment.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic opportunities associated with this report.

Environmental: There are no environmental opportunities associated with this report.

Race & Equity: The City of Oakland continues to ensure that City Staff are able to provide critical services to the community in support of racial equity to address disparities. Staff rely on core business systems to be fully operational and supported in order to best provide these services to the community.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Approve A Resolution Authorizing The City Administrator or Designee To Execute An Agreement With Fusion BI, Inc. for a Total Combined Amount Not To Exceed Two Hundred Ten Thousand Dollars (\$210,000.00) In Fiscal Years 2023-2023 and 2023-2024 (Authorizes \$105,000.00 in FY22-23 and \$105,000.00 in FY23-24) For Oracle Business Intelligence and Analytics Consulting Services; And Waiving The City's Local Business/Small Local Business Utilization Requirements

For questions regarding this report, please contact Tony Batalla, Information Technology Director at 510-238-3319.

Respectfully submitted,



TONY BATALLA
Director,
Information Technology Department

Attachments (2):

- A. Agreement between the City of Oakland and Fusion BI, Inc for Oracle Business Intelligence and Analytics Consulting Services
- B. Proposal Summary -RFP for Oracle Business Intelligence (BI) Support