

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor’s Legislative Team

at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. Contact the Mayor’s Legislative team with questions

Date of Request: 5/29/2020

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
- Dedication/Vacation Appropriation/Supplemental DRMC Change
- Other:

2. Title: (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Amends a contract with Questica Software Inc. by adding \$1,051,680 for a new total of \$3,291,680 and five years for a new end date of 8/1/2025 for continual use and support of the Budget Management software supporting all City agencies; citywide (TECHS-202054455)

3. Requesting Agency: Technology Services

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Kelly Greunke	Name: Joe Saporito
Email: Kelly.greunke@denvergov.org	Email: joseph.saporito@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

Questica is the City’s budget system. It was first implemented in 2015 as a Software as a Service (SaaS - cloud-based service) solution, and we are at the end of the first five-year contract term for subscription services. It was first procured through a formal bid process through the City’s Purchasing division. The prior budget system had been in place for 16 years and was no longer supported by the vendor. This contract request extends the subscription service for another 5 years. While the Questica Budget system is used primarily by the Budget and Management Office, all City agencies utilize the system to develop their annual budget requests (with the exception of DEN). There are approximately 200 users across the City. Questica’s performance module will be added under the new contract as per their new fee structure and will be implemented with the next upgrade.

Term exceeding more than 3 - 5 years per Executive Order 8.

Per Executive Order 8: "Agencies should limit the duration of contracts to three to five years at which time a new solicitation should be initiated absent special circumstances." For most software applications, they cannot be simply unplugged and replaced with a new application; therefore, there will be several special circumstances that would provide for a justification to deviate from this policy. For this request, the information below provides examples of special circumstances directly related to the Questica Software contract amendment request.

The special circumstances that justify a contract term that exceeds three to five years are listed below:

- Situations where standardization of equipment or continuity of service is required;
- Situations where competition does not exist;
- Situations where economic factors make it unfavorable for the City to re-bid a contract.

Continuity of Service:

To be completed by Mayor’s Legislative Team:

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The Questica Budget Management software application has been customized for the City, it integrates with the City's Enterprise Resource Planning system, Workday, both on the Human Resources and Financials modules and has been configured so it is in alignment with the City's specific organizational and financial structure. All City Agencies (excluding DEN) use the software and approximately 200 individual users have been trained and are efficient with this application so the continual use of this application will allow the Budget Management Office to provide continuity in its internal business functions as well external services with all City agencies. The software is used by the Budget Management Office, on behalf of the Mayor's Office, to meet charter requirements by producing the annual budget.

Competition does not exist:

As the City already has purchased, implemented, has been trained on and intends on using the Questica Budget Management software application for the foreseeable future, continual support from Questica is needed to ensure the application is functioning at its maximum performance. This is a service that can only come from Questica as they do not resell their support so an opportunity for competition does not exist.

Economic factors make it unfavorable for the City to re-bid a contract:

The cost to fully implement this software application was over \$1.2M. The City would incur these costs every time a new system is implemented. This is a substantial investment by the City and it would result in an unnecessary negative financial impact on the citizens of Denver if this type of system was replaced every three to five years. The City and Questica underwent a very time-consuming process which included multiple phases from the time of purchase to having a fully implemented system. These include conducting an RFP process, Technology Services review of vendor's security protocols as well as technical architecture to ensure they align with Technology Services' requirements, negotiating a Statement of Work, negotiating a contract, analysis of the City's current state, planning for the new system, designing the new system to meet the City's objectives, implementing the new system, configuring (fine tuning) the new system, testing the new system and training employees on the new system. This process took approximately a year to complete. For the City to re-bid this every three to five years would mean the opportunity for any type of return on our investment would be minimalized and the City would be in a perpetual cycle of bidding, implementing, retraining and decommissioning of previous applications.

6. **City Attorney assigned to this request (if applicable):** Steve Hahn

7. **City Council District:** N/A - Citywide

8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property):

Standard Expenditure contract exceeding \$500,000

Vendor/Contractor Name: Questica Software, Inc.

Contract control number: TECHS-202054455

Location: Citywide

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many? First**

- Original contract: 8/1/2014 - 8/1/2020; Contract Amount: \$2,240,000
 - Signed by Mayor: 8/11/2014

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

Current term: 8/1/2014 - 8/1/2020 Proposed term: 8/1/2014 - 8/1/2025 Duration: 11 years

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
(A)	(B)	(A+B)

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\$2,240,000	\$1,051,680	\$3,291,680
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<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
8/1/2014 - 8/1/2020	5 Years	8/1/2025

Scope of work:

Vendor will continue to support the Questica Budget Management software.

Was this contractor selected by competitive process? Yes **If not, why not?**

Has this contractor provided these services to the City before? Yes (via this contract) No

Source of funds: Operational - General

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? N/A

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