

**CITY OF MIRAMAR
PROPOSED CITY COMMISSION AGENDA ITEM**

Meeting Date: January 15, 2020

Presenter's Name and Title: Randy Cross, Human Resources Director

Prepared By: Randy Cross

Temp. Reso. Number: 7101

Item Description: Temp. Reso. #R7101, AUTHORIZING THE SEVENTH AMENDMENT OF THE AGREEMENT FOR ENTERPRISE RESOURCE PLANNING SYSTEM WITH TYLER TECHNOLOGIES, INC. IN AN AMOUNT NOT TO EXCEED \$259,000 TO PROVIDE CONTINGENCY IMPROVEMENTS TO THE SYSTEM IDENTIFIED DURING THE LAST BUSINESS PROCESS REVIEW; AND PROVIDING FOR AN EFFECTIVE DATE (Human Resources Director Randy Cross).

Consent ☒ Resolution ☐ Ordinance ☐ Quasi-Judicial ☐ Public Hearing ☐

Instructions for the Office of the City Clerk:

Public Notice – As required by the Sec. ____ of the City Code and/or Sec. ____, Florida Statutes, public notice for this item was provided as follows: on _____ in a _____ ad in the _____; by the posting the property on _____ and/or by sending mailed notice to property owners within _____ feet of the property on _____
(fill in all that apply)

Special Voting Requirement – As required by Sec. _____, of the City Code and/or Sec. ____, Florida Statutes, approval of this item requires a _____ (unanimous, 4/5ths etc.) vote by the City Commission.

Fiscal Impact: Yes ☒ No ☐

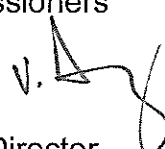
REMARKS: The cost for these services are budgeted in the FY2020 CIP project 54002, "Enterprise Resource Planning – STEAM". Funding in the amount of \$259,000 is budgeted in GL Account Numbers: 395-10-800-513-000-606515-54002 CIP-Implementation Fees, 410-58-800-513-000-606517-54002 CIP-Implementation Fees

Content:

- Agenda Item Memo from the City Manager to City Commission
- Attachment(s)
 - Attachment 1: Amendment 7 to the Agreement with Tyler Technologies, Inc.



**CITY OF MIRAMAR
INTEROFFICE MEMORANDUM**

TO: Mayor, Vice Mayor, & City Commissioners
FROM: ✓ Vernon E. Hargray, City Manager ✓ 
BY: Randy Cross, Human Resources Director
DATE: January 9, 2020
RE: Temp. Reso. No. 7101, Authorizing Amendment 7 to the Agreement with Tyler Technologies, Inc.

RECOMMENDATION: The City Manager recommends approval of Temp. Reso. No. 7101, approving the Seventh Amendment ("Amendment") of the Agreement with Tyler Technologies, Inc. ("Agreement").

ISSUE: Tyler Technologies, Inc ("Tyler") conducted several onsite business process review sessions and has recommended options to improve the performance of the Enterprise Resource Planning System ("ERP"). The cost to implement these improvements requires approval by the City Commission.

BACKGROUND: The City Commission approved Resolution No. 12-12 in October of 2011, entering into a contractual arrangement with Tyler to purchase and implement the ERP. This system is utilized in many areas of the City and is a core system. Several areas of the ERP have not been fully optimized and Tyler conducted several business process review sessions with staff from the Human Resources, Finance, and Community Development departments.

These business process review sessions were week-long, intense, collaborative sessions among staff from the user departments, Information Technology Department, and the Tyler consultant. These sessions included an in-depth assessment of how each module of the system is being utilized by staff with the intention of identifying recommendations to improve the use of the system. Tyler provided thorough reports that outlined recommendations to make improvements to each module, upon the completion of each business process review session. The recommendations include process mapping, developing standard operating procedures documentation resulting from the process

mapping, configuration improvements to each module, and other items to maximize the operation of the ERP.

Staff took the results from these sessions and created a project that was approved in the FY 2020 Capital Improvement Program. Funding in the amount of \$294,303 has been budgeted for this project, entitled "Enterprise Resource Planning - STEAM", to pay for the additional consulting services and hardware costs to make the recommended improvements to the system.

Amendment 7 to the Agreement provides the terms and conditions for these software improvements to be realized. Tyler Technologies will be subcontracting some of the work to KoaHills Consulting, a Tyler Technologies consulting partner. Their work is also covered under Amendment 7.

Temp. Reso. No. 7101
1/9/20
1/9/20

**CITY OF MIRAMAR
MIRAMAR, FLORIDA**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA, AUTHORIZING THE SEVENTH AMENDMENT OF THE AGREEMENT FOR ENTERPRISE RESOURCE PLANNING SYSTEM WITH TYLER TECHNOLOGIES, INC. IN AN AMOUNT NOT TO EXCEED \$259,000 TO PROVIDE CONTINGENCY IMPROVEMENTS TO THE SYSTEM IDENTIFIED DURING THE LAST BUSINESS PROCESS REVIEW; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on October 19, 2011, the City Commission approved Resolution No. 12-12 entering into a contractual arrangement with Tyler Technologies, Inc. (“Tyler”) to purchase and implement an Enterprise Resource Planning System (“ERP”); and

WHEREAS, several areas of the ERP have not been fully optimized and Tyler conducted several business process review sessions with staff from the Human Resources, Finance, and Community Development departments; and

WHEREAS, Tyler provided recommendations to maximize the operation of the Enterprise Resource Planning system utilizing consulting services in an amount not-to-exceed \$259,000; and

WHEREAS, Project No. 54002, entitled “Enterprise Resource Planning - STEAM” is budgeted in the FY 2020 Capital Improvement Plan to pay for the additional consulting services and hardware costs to make the recommended improvements to the system.

Reso. No. _____

Temp. Reso. No. 7101
1/9/20
1/9/20

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF
MIRAMAR, FLORIDA AS FOLLOWS:**

Section 1: That the foregoing “**WHEREAS**” clauses are ratified and confirmed as being true and correct and are made a specific part of this Resolution.

Section 2: That it authorizes the City Manager to execute the Seventh Amendment to the Agreement dated October 19, 2011 between Tyler Technologies, Inc. and the City of Miramar in the form attached hereto together with any substantive changes deemed appropriate by the City Manager and as to form and legal sufficiency by the City Attorney.

Section 3: That the appropriate City officials are authorized to do all things necessary and expedient to carry out the aims of this Resolution.

Section 4: That this Resolution shall take effect immediately upon adoption.

Temp. Reso. No. 7101
1/9/20
1/9/20

PASSED AND ADOPTED this _____ day of _____, _____.

Mayor, Wayne M. Messam

Vice Mayor, Alexandra P. Davis

ATTEST:

City Clerk, Denise A. Gibbs

I HEREBY CERTIFY that I have approved
this RESOLUTION as to form:

City Attorney
Austin Pamies Norris Weeks Powell, PLLC

Requested by Administration

Commissioner Winston F. Barnes
Commissioner Maxwell B. Chambers
Commissioner Yvette Colbourne
Vice Mayor Alexandra P. Davis
Mayor Wayne M. Messam

Voted

AMENDMENT 7

This amendment ("Amendment") is made this ____ day of _____, 20__ by and between Tyler Technologies, Inc. with offices located at 1 Tyler Drive, Yarmouth, Maine 04096 ("Tyler") and the City of Miramar with offices at 2300 Civic Center Place, Miramar, FL 33025 ("Client").

WHEREAS, Tyler and the Client are parties to an agreement dated October 19, 2011 ("Agreement"); and

WHEREAS, Tyler and Client desire to amend the Agreement to execute contingency improvements identified in the BPR previously performed for the Client;

NOW THEREFORE, in consideration of the mutual promises hereinafter contained, Tyler and the Client agree as follows:

1. The Agreement is hereby amended to include the agreed upon Scope of Work for contingency improvements, as set forth in **Exhibit A**, attached hereto and for such services to be provided by KOA Hills.
2. The fee for the improvements is \$185.00 per hour. There will be 1400 hours designated for the execution of contingency improvements. The total for contingency improvements shall not exceed \$259,000.00. Fees for services will be invoiced as services are provided. Travel is not included in these fees and will be billed as incurred. This work includes an estimated 32 trips travel (75% of services performed onsite), with an estimated total cost of \$53,600.00.
3. This Amendment shall be governed by and construed in accordance with the terms and conditions of the Agreement.
4. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below.

[Signature page follows]

CITY OF MIRAMAR

ATTEST:

Denise Gibbs, City Clerk

By: _____
Vernon E. Hargray
City Manager
Dated: _____

Approved as to form and legal sufficiency
for the use of and reliance by the City of
Miramar, Florida only:

City Attorney
Weiss Serota Helfman Cole and Bierman, P.L.

TYLER TECHNOLOGIES, INC.

WITNESS:

By: _____
Print Name: _____

By: _____
Name: _____
Title: _____
Date: _____

(CORPORATE SEAL)

Exhibit A to Amendment 7



Quoted By: Cindy Chase
 Date: 12/12/2019
 Quote Expiration: 6/9/2020
 Quote Name: Miramar - ERP - KOA Hills BPC
 Quote Number: 2019-99024
 Quote Description: KOA Hills Contingency Improvement Hours

Sales Quotation For

City of Miramar
 2300 Civic Center Pl
 Miramar, FL 33025-6577
 Phone +1 (954) 602-3049
 Email: mebrito@miramarfl.gov

3rd Party Hardware, Software and Services

Description	Quantity	Unit Price	Unit Discount	Total Price	Unit Maintenance	Unit Maintenance Discount	Total Year One Maintenance
KOA Hills Contingency Improvement Hours	1400	\$185.00	\$0.00	\$259,000.00	\$0.00	\$0.00	\$0.00
<i>3rd Party Services Sub-Total:</i>			\$0.00	\$259,000.00			\$0.00
TOTAL:				\$259,000.00			\$0.00

Summary

	One Time Fees	Recurring Fees
Total Tyler Software	\$0.00	\$0.00
Total Tyler Services	\$0.00	\$0.00
Total 3rd Party Hardware, Software and Services	\$259,000.00	\$0.00
Summary Total	\$259,000.00	\$0.00
Contract Total	\$259,000.00	
(Excluding Estimated Travel Expenses)		
Estimated Travel Expenses	\$53,600.00	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held for six (6) months from the Quote date or the Effective Date of the contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O. #: _____

All primary values quoted in US Dollars

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client.
- Fees for hardware are invoiced upon delivery.
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware.
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below:
 - Implementation and other professional services fees shall be invoiced as delivered
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
 - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
 - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
 - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to services fees specifically for migrations: Tyler will invoice Client 50% of any Migration Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite.
- Expenses associated with onsite services are invoiced as incurred.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely, but can be done onsite upon request at an additional cost.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf, and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Comments

Implementation hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.

Development modifications, interfaces and services, where applicable, shall be invoiced to the client in the following manner: 50% of total upon authorized signature to proceed on program specifications and the remaining 50% of total upon delivery of modifications, interface and services.

Please reference the Statement of Work for Miramar for detailed services to be delivered for Contingency Improvement Hours (bucket of professional services).

Scope of Work of Consulting Services

Introduction

In the original SOW we provided hours for the Business Process Re-engineering (BPR) as well as 100 hours for improvements. The SOW below is the original SOW with a proposed additional 1400 hours for improvements as prioritized by the City of Miramar.

Koa Hills will work with the City to leverage and expand upon the Tyler investment review by conducting detailed Business Process Re-engineering (BPR). Our areas of concentration will include:

- Human Capital Management
- Payroll
- Tyler Content Management
- Finance
- Utility Billing
- Community Development

Following the BPR we will combine all recommendations and requirements called out in the investment review and BPR into a quantifiable improvement workbook. This workbook will be reviewed by key stakeholders at the City and Koa Hills will facilitate adding priority, impact, effort and phase of the recommendation or requirement. We will then create a structured phased improvement plan.

Next, we will add a bucket of professional services hours to be used by the City to work with either Tyler or Koa Hills resources on the various recommendations and requirements. At this point we are not clear on how many hours will be required to meet all City objectives and will update the hours required as soon as we have completed the initial BPR and investment review. We recommend that a portion of these hours be used for project management so that we can ensure that we stay on track and make adjustments as we need during the execution of the improvements.

The professional services hours can be used for many things including: software optimization, report development, workflow development, interface development, documentation (digital and video), training etc.

Business Process Re-engineering (BPR)

Koa Hills Consulting will use the Business Process Reengineering, or BPR, methodology to help the City of Miramar identify and plan for improvements to current processes. We will leverage the

work done by Tyler during the investment review.

During the BPR process, Koa Hills works with your staff to create and document processes as they currently exist ("as-is" maps) and processes as they should exist ("to-be" maps), once new technology and/or new processes are applied. Throughout the BPR process, Koa Hills incorporates best practice research and applies their extensive experience of how similar organizations are leveraging technology to improve the way they work.

As Is Mapping

During the first process mapping session, the Koa Hills consultant will start by gaining an understanding of job duties and roles in the department.

Once the consultant has a good grasp of the functions and positions for each of the participants, he or she will begin the process mapping exercise. The purpose of the first mapping session is to develop as-is flow charts documenting how business is currently conducted. This stage of the project is about helping the consulting team understand exactly how things are happening now. The development of new and improved processes to go with the new system will come at a later stage of the project.

To document the "as is" processes, City of Miramar staff will be asked to explain in detail how each task or process is currently accomplished. This will help the consultant construct a flowchart to identify and illustrate the following for each process:

- The actors and tasks involved;
- The order in which these tasks occur and any dependencies among tasks;
- The duration of each task;
- Any decision points in the process;
- What systems are used;
- The inputs to and outputs of the process; and
- Any interactions among departments and other stakeholders.

As-Is Process Review

The next step is the As-Is process review. This is important because it gives participants the opportunity to review the work that has been done and provide additional input that might not have been captured in the initial mapping sessions and hard copy review. It has been our experience that it is extremely difficult for people to completely document every aspect of a process on the first attempt. Typically, once the process has been captured and documented in a graphic format that facilitates review, people are better able to fill in gaps and clarify processes.

At the end of the second mapping session, the goal is to have a work product that is ready for validation by a supervisor or manager.

After the maps have been reviewed and refined by the process owners, the consulting team will present the work product to the supervisor or manager who is responsible for the execution of the processes. The goal of this session is for the consultants to explain the documentation developed during the detailed mapping sessions, answer any questions, and finalize the maps.

Comparative Analysis of As-Is Processes Relative to Requirements

When the as-is and to-be flowcharts are complete, the consulting team will analyze the requirements that have been defined for the new system to ensure that all the requirements arising from the process mapping sessions have been captured. The process mapping phase of the project typically uncovers many requirements that were not identified during the initial needs assessment, so this cross-referencing is a very important and valuable exercise as the organization prepares to implement its new system.

To-Be Process Mapping

After the as-is state has been documented, the organization will have a starting point for developing the desired to-be state. Some As-Is processes may require little or no change and others may be excellent candidates for re-engineering in connection with the implementation of the new system.

In preparation for the to-be mapping sessions, Koa Hills reviews the as-is flowcharts and identify any processes that are cumbersome, overly complex, or manual in nature and make recommendations for possible process improvements to be implemented in connection with the new system. Using our domain expertise in public sector operations and our experience in process re-engineering, we will seek to identify the business rules driving each process and understand the reason for the business rule or process. Sample questions include:

- *Does the process exist to satisfy a real need or is it simply needed because that's the way it's always been done?*
- *Is the process driven by a government-mandated requirement, or a result of a policy that is unlikely to change?* This is important to know because the lack of flexibility on these processes might limit the organization's ability to re-engineer them and could require certain workarounds or customizations to be maintained even though newer technology is available in the system.
- *Is this process driven by or influenced by lacking functionality in the current system?* This is important to understand because the implementation of a new system might eliminate

some of the requirements. An example of this would be if there was a requirement for an edit report to show invalid fully qualified accounts, but it would not be needed with the new system because it automatically validates the account numbers upon data entry. The real driver in this case is the need for valid account numbers, not the need for a report.

For each process we believe is a candidate for re-engineering, we will develop a recommended, or To-Be, process map and review and refine it with the appropriate supervisors and managers. For the processes on which the organization agrees with our recommendations, the resulting To-Be flowchart can be used as the basis for defining detailed requirements and developing processes to be implemented in connection with the new system.

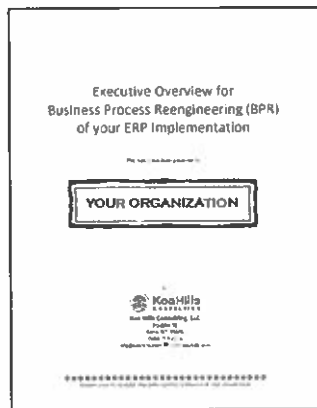
Recommendations and Requirements

The As-Is and To-Be maps are compared, and where differences are found, a recommendation is noted. We also add recommendations and requirements based upon client-desired outcomes, best practices, industry standards, and what we've learned at other organizations like yours. Each item is then quantified by assigning a number of values that are meaningful to the organization, such as priority, impact, effort/cost, risk, etc. The resulting spreadsheet provides a sortable collection of technology and process changes, where the most impactful efforts rise to the top. We will apply the SMART methodology in defining the requirements, meaning the requirements will be Specific, Measurable, Achievable, Realistic, and Traceable.

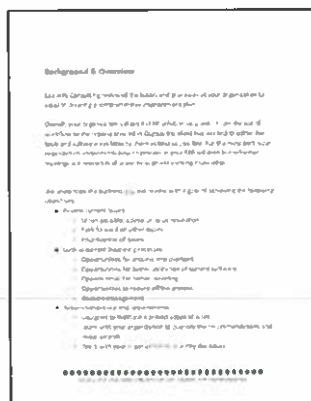
Analysis Outcome

Finally, Koa Hills works with leadership at the City to determine the timeline and budget for phased implementation of recommendations and requirements. An actionable, phased scope of work is defined. Koa Hills then develops an executive overview which identifies a high level overview of the current state, summarizes findings from the BPR mapping, spells out the recommendations and requirements, and presents the phased scope of work. The up-front investment in BPR ensures that future technology projects align with what the organization actually needs, and that effort by the organization is dedicated to high-impact, high return projects.

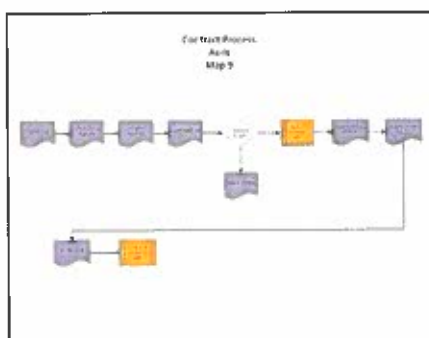
Below are some sample pages of the executive overview:



Cover page



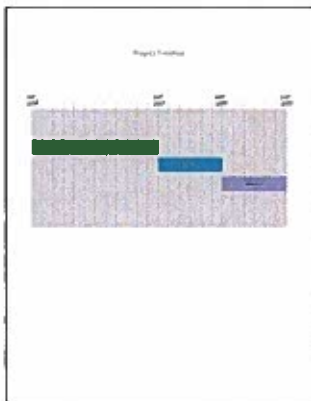
High level assessment of efficiency of current processes, identifying areas for improvement.



An As-Is map identifying a current process.



Color-coded spreadsheet identifies improvements by phase, and specifies the effort and impact of each task discovered during the BPR.



Color-coded timeline of phases in project.

Deliverables

The end product will be a quantified report with recommendations. The report will include:

- As-Is Process Maps
- To-Be Process Maps
- Cover sheets summarizing recommendations and requirements
- Recommendations and requirements from the Tyler investment review and Koa Hills BPR quantification - Priority, Impact, Effort and Phase
- Summary of findings (report)
- Phased Improvement plan
- Execution of highest priority recommendations and requirements using the hours from the process improvement budgeted hours (Hours may be added as needed by the City of Miramar as we conclude the BPR quantification) *(Original hours 100, we are adding 1400 hours for a total of 1500 hours to this endeavour)*