



Addendum No. 1 to RFP No. 2023/24-001
Project Management Services for the Selection and Implementation of an
Enterprise Resource Planning (ERP) System

August 8, 2023

To Whom It May Concern:

The City of Sedona, Arizona is issuing this **Addendum No. 1** to the Request for Proposals cited above as originally issued at the time of solicitation for proposals for the Project Management Services for the Selection and Implementation of an Enterprise Resource Planning (ERP) System project. For any proposal to be considered responsible and responsive, receipt of this addendum must be acknowledged.

This Addendum contains eleven (11) pages, including this page.

This Addendum clarifies the following:

QUESTIONS

1. Submitted question:

QUESTION: After reviewing the solicitation, we would like to request some clarifications on RFP Management Services for the Selection and Implementation of an Enterprise Resource Planning (ERP) System, specifically, regarding the Purpose, section 1, page 4 of this RFP.

Is the City of Sedona seeking a consulting service that will assist in evaluating and implementing an existing Enterprise Resource Planning (ERP) System available in the market? Or, does the RFP intend to acquire an ERP System from potential offerors?

RESPONSE: The City is seeking project management services for assistance with assessing the City's needs for a new ERP system, development of an RFP to acquire a new ERP system from a potential offeror, selection of a new ERP system, implementation of a new ERP system, and the various other tasks identified in Appendix A, Scope of Work.

2. Submitted question:

QUESTION: If the city is seeking a proposal to acquire an ERP System, we would like to ask whether the City is open to considering options for a custom-built solution.

RESPONSE: The City is not soliciting proposals for an ERP system at this time.

3. Submitted question:

QUESTION: It looks like all the AS-IS/current state is done, and now you need the Proposer to evaluate the current state, is this correct? If so, who conducted the current/future state analysis - was it done by a Business Analyst or internal staff who do the day-to-day?

RESPONSE: No, the AS-IS/current state is not done. The Firm selected for RFP award will be responsible for identifying the City's AS-IS/current state and evaluation thereof.

4. Submitted question:

QUESTION: What kind of documentation is available for the current state / future state (i.e. workflow diagrams, GAP Analysis, BRDs etc.)? Can you provide us with a sample documentation created?

RESPONSE: None. See the City's response to Question 3 above.

5. Submitted question:

QUESTION: Will the RFP be open and available for the public domain?

RESPONSE: Upon RFP award, all documents provided to the City may be subject to disclosure by the Arizona public records law under Arizona Revised Statutes 39-121 and related provisions. Please refer to Section 21, Public Records Law, of the RFP Instructions and Conditions for more details.

6. Submitted question:

QUESTION: How much time do you anticipate providing the vendors time to respond?

RESPONSE: Proposals are due no later than 4:00 p.m. on Tuesday, August 15, 2023.

7. Submitted question:

QUESTION: Will the Project Management team be responsible for the data migration of the project? It's not mentioned in the procurement document and this will add time and additional resources to ensure data migration is managed/handled properly

RESPONSE: Yes, the Project Manager will work with the City's Project Representative to ensure data is successfully migrated from the City's existing ERP to the new ERP.

8. Submitted question:

QUESTION: What current system (s) are you currently using/operating in the current state?

RESPONSE: The City currently utilizes the following modules in Springbrook:

1. Accounts Payable
2. Accounts Receivable
3. Bank Reconciliation
4. Building Permits
5. Cash Receipts
6. Clearing House
7. Code and Contact Management
8. Fixed Assets
9. General Ledger
10. Purchase Orders
11. Utility Billing

The City also currently uses the following programs:

1. ADP for Payroll and Human Resources
2. McLain Decision Support Systems for budget preparation
3. CaseWare for reports (Annual Comprehensive Financial Reports and Budget Books)
4. MuniCast for long-range forecasting

5. DebtBook for management of leases, bonds, financed purchases, and subscription-based information technology agreements
6. Sportsman for Parks & Recreation
7. Civic Review for business licenses
8. GovOS for short-term rental monitoring and permitting

Available ERP modules will also be desirable for other processes that are currently handled manually or via spreadsheets.

9. Submitted question:

QUESTION: Examples of Similar Work- the RFP states that we will need to provide samples of project and communication plans. Can we provide sample outlines of a project/communication plan? Previous project/communications plans that we have prepared are proprietary.

RESPONSE: Yes, sample outlines of a project/communication plan are acceptable.

10. Submitted question:

QUESTION: Are there any restrictions and/or additional requirements for out-of-state Providers responding to this RFP?

RESPONSE: No.

11. Submitted question:

QUESTION: Are there any mandatory small business or minority business requirements attached to the RFP?

RESPONSE: No.

12. Submitted question:

QUESTION: Regarding the 12-point font requirement, if we are including charts and graphs, do they (charts and graphs) need to carry the same font size?

RESPONSE: No; however, all text must be legible.

13. Submitted question:

QUESTION: Size of City of Sedona IT Staff?

RESPONSE: The City's IT department currently consists of six (6) employees.

14. Submitted question:

QUESTION: Number of resources (IT and non-IT) who will assist the consultant(s) assigned to the project? Also, weekly time commitment (e.g., 30%, etc.) of the assigned client personnel to the project?

RESPONSE: The City may have approximately nineteen (19) or more (IT and non-IT) resources who will assist the Successful Firm with this project within their areas of assigned duties.

The necessary weekly time commitment is currently unknown. The City will rely on the Successful Firm to assist the City in determining adequate weekly time commitments per resource as this may vary from one resource to the next (e.g., the financial services

department will require a larger commitment than the community development department, etc.).

15. Submitted question:

QUESTION: Who is the Project Sponsor for this project?

RESPONSE: The City of Sedona.

16. Submitted question:

QUESTION: Is the \$300k (100k for each year for 3-years) the budget for this entire project?

RESPONSE: The \$300,000 reflected in the FY 2024 budget for project management was a guesstimate pending responses to this RFP. This amount may be re-evaluated based on the proposals received.

17. Submitted question:

QUESTION: Is the City open to a proposal that includes a hybrid work model with some days onsite and some days remote?

RESPONSE: Yes.

18. Submitted question:

QUESTION: Have any software requirements or business processes been documented to this point?

RESPONSE: Written desk procedures are available for some areas of the financial services department, including wastewater billing, accounts payable, and payroll.

19. Submitted question:

QUESTION: Given your constraints for the purchasing process and the size and scope of the project, would you consider a "pay as you go model" to better understand the costs of each phase of the project For example: 1) Discovery, 2) Requirements Gathering & Software Selection, 3) Integrator Selection, 4) Implementation & Change Management. etc?

RESPONSE: No.

20. Submitted question:

QUESTION: Can you please clarify if this request is just for a PM role or are you open to recommendations for any additional roles that are required to ensure this project is successful?

RESPONSE: Please refer to the Submittals with Proposal, Scope of Work, and Price Proposal sections of the RFP Documents. The City anticipates it will take a project team to complete the project management services.

21. Submitted question:

QUESTION: Can you please clarify the difference between Section 3 - Key Personnel and Section 7 - Key Personnel Resumes?

RESPONSE: Section 3 of Submittals with Proposals requests an overview of information on the key personnel your firm will assign to the City's project and Section 7 requests copies of each key person's resume.

22. Submitted question:

QUESTION: What systems are you currently using and looking at replacing during this ERP conversion?

RESPONSE: Please refer to the response to Question 8 above for systems that could be considered. Please refer to "Anticipated Modules for Implementation" in the Scope of Work for the modules the City may need.

23. Submitted question:

QUESTION: Have you started looking at other solutions? If so, what?

RESPONSE: No. Not applicable.

24. Submitted question:

QUESTION: What consultants have you worked with in the past on process redesign projects? Did those projects have favorable outcomes?

RESPONSE: None. Not applicable.

25. Submitted question:

QUESTION: Do you have a current IT strategic plan that you can share?

RESPONSE: No.

26. Submitted question:

QUESTION: Do you have an IT director who would be working on this project?

RESPONSE: Yes.

27. Submitted question:

QUESTION: Do we need to have the client reference the "Past performance questionnaire" sent to our clients and returned to the City before we qualify for consideration?

RESPONSE: Yes. All Past Performance Questionnaires are due to the City no later than 4:00 p.m., local Arizona time, on Tuesday, August 15, 2023.

28. Submitted question:

QUESTION: Our firm does not allow the use of flash drives due to the high risk of data breach and malware transfer, will there be another way to submit a PDF document to the City? Either through a secure portal or email?

RESPONSE: No. All copies of the proposal, whether original or PDF copies thereof, must be submitted together, in a sealed package and remain unopened until the RFP Deadline, and neither email nor a secure portal provide that ability.

29. Submitted question:

QUESTION: The RFP requests 12-point font, is this throughout the whole document? Our firm uses 11 as the standard font size.

RESPONSE: Yes. Please also refer to the response to Question 12 above.

30. Submitted question:

QUESTION: Does the 15-page maximum also exclude the required appendixes?

RESPONSE: The page count includes all required appendixes, except the Past Performance Questionnaire.

In accordance with the Submittals with Proposal:

"All pages count towards the page total except the cover, introductory letter, resumes, past performance questionnaires, work examples, and organizational chart (if included)."

31. Submitted question:

QUESTION: Submittal requirements: define the term "binder", are you referring to a 3-ring binder or a bound document with all original copies contained therein?

RESPONSE: A bound document with all original copies contained therein is acceptable.

32. Submitted question:

QUESTION: Page 17 – mentions that "Past Performance Questionnaires" do not count towards the total page count. In reviewing the Past Performance Questionnaire (page 44) it appears that our reference is directed to email the completed form to HWeber@SedonaAZ.gov so we would not have the completed forms to include. Could you please clarify what the City wants.

RESPONSE: Correct. Since firms will not be in possession of the completed Past Performance Questionnaires, the Past Performance Questionnaires do not count toward the total page count of a firm's proposal.

33. Submitted question:

QUESTION: Would the City please consider increasing the maximum number of pages from 15 to 25 or more pages?

RESPONSE: The second paragraph of Page 17, Submittals with Proposal, is hereby amended to increase the page maximum from fifteen (15) pages to twenty-five (25) pages.

34. Submitted question:

QUESTION: What systems are used currently?

RESPONSE: Please refer to the response to Question 8 above.

35. Submitted question:

QUESTION: When were those systems implemented?

RESPONSE: Springbrook – approx.. 2013
ADP – unknown, prior to 2011

McLain Decision Support Systems – approx. 2017
CaseWare – approx. 2017
Municast – unknown, prior to 2011
DebtBook – 2022
Sportsman – 2023
Civic Review – 2022
GovOS - 2022

36. Submitted question:

QUESTION: How many users of the current system are there?

RESPONSE: Springbrook – approx. 82
ADP – approx. 182
McLain Decision Support Systems – approx. 87
CaseWare – approx. 4
Municast – approx. 4
DebtBook – approx. 4
Sportsman – approx. 5
Civic Review – approx. 2
GovOS – approx. 1

37. Submitted question:

QUESTION: What is the City's budget for a new system?

RESPONSE: A placeholder amount of \$2,000,000 was included in the FY 2024 budget. This amount may be re-evaluated based on further refinement of the project with the assistance of the selected firm.

38. Submitted question:

QUESTION: Does the City have an IT department or is IT outsourced? What will their involvement be in this project?

RESPONSE: The City has an IT department. The City's IT department's involvement will be as reasonably required for the selection and implementation of a new ERP system. The City is seeking project management services for the selection and implementation of a new ERP system to reduce workload impacts on the City's IT and other departments.

39. Submitted question:

QUESTION: Who from the City will be responsible for the project?

RESPONSE: The City's Project Representative will be Cherie White, Director of Financial Services.

40. Submitted question:

QUESTION: What issues is the City having with the current system(s) that led them to decide to replace it?

RESPONSE: The current system is antiquated, will soon no longer be supported, and does not efficiently and effectively provide for the City's needs and functionalities.

41. Submitted question:

QUESTION: Is there any documentation of the City's current processes/workflows?

RESPONSE: The City has minimal documented processes/workflows, which were developed by City employees over the years. No consultants have been utilized by the City in identifying, developing, documenting, or implementing any City processes/workflows.

42. Submitted question:

QUESTION: Item #17 states "Provide qualified staff to assist City staff with the performance of the City staff's day-to-day work duties to prevent a backlog of work while City staff is being trained on the new ERP system"

Q: What are the specific staff duties, skills, and qualifications to be provided by the Contractor to prevent work backlogs?

Q: How many City staff currently support the day-to-day duties by function?

RESPONSE: The level of support needed will be dependent on the level of staff involvement needed. Possible support needed may include data entry, accounts payable and receivable, utility billing, purchase order requisitions, bank reconciliations, etc.

Currently, the City has approximately one (1) City staff member per job function. For example, one (1) staff member performs accounts payable, another staff member performs accounts receivable, another staff member performs utility billing, and so forth.

43. Submitted question:

QUESTION: What software(s) are currently being used?

RESPONSE: Please refer to the response to Question 8 above.

44. Submitted question:

QUESTION: What HR/payroll processes are currently on paper/manual?

RESPONSE: Human Resource's paper/manual processes include, but are not limited to, the following:

1. Personnel Action Forms
2. FMLA paperwork
3. Deferred 457 compensation forms
4. New Hire forms

Payroll's paper/manual processes include, but are not limited to, the following:

1. Splitting Payrate changes for part of a pay period
2. Splitting Cost# changes for part of a pay period
3. Multiple Job pays and calculating a blended rate for a pay period
4. Reformatting system reports to upload to websites for contribution reporting
5. Penny adjustment to correct deduction errors on health benefits
6. Correcting the liability and expense account for capital projects for in-house labor
7. Tracking and paying Allowances
8. Termination Calculations
9. Manually Track work hours and portions of pay for grant assignments
10. Short term disability tracking and payment
11. Third Party Sick reporting
12. Workers' compensation calculations and payment
13. Year-end accruals

45. Submitted question:

QUESTION: What is the anticipated order of platform implementation for the ERP project? (first A/P, second A/R, third payroll, etc.???)

RESPONSE: This will be determined with the assistance of the selected firm.

46. Submitted question:

QUESTION: The RFP states the project deadline is October 2026 or when work is complete. What is your ideal timeline?

RESPONSE: The City anticipates the Scope of Work will take around two (2) to three (3) years to complete; however, this may change based on the City's needs and recommendations from the selected firm, the modules selected in the new ERP system, and the extent of business process reengineering.

47. Submitted question:

QUESTION: How many unions are represented in your employee group?

RESPONSE: None.

48. Submitted question:

QUESTION: Is having a robust budgeting module with position based budgeting and long-term forecasting important to the city?

RESPONSE: Yes.

49. Submitted question:

QUESTION: Is a combination of on-site and remote work acceptable?

RESPONSE: Please refer to the response to Question 17 above.

50. Submitted question:

QUESTION: How open are employees to this change?

RESPONSE: City employees are very open to this much needed change.

51. Submitted question:

QUESTION: Are the blended component units currently using the same software as the city and if so, will this continue with the new ERP system?

RESPONSE: Yes, they are treated as funds within the City's general ledger.

52. Submitted question:

QUESTION: Would the City elaborate on its existing systems environment in terms of those software applications a future ERP system is expected to replace?

RESPONSE: Please refer to the response to Question 8 above.

53. Submitted question:

QUESTION: Does the City have target timelines for certain milestones associated with this project? For example, the date an RFP for software is released, date of implementation kickoff, or date the current system is retired.

RESPONSE: Not at this time.

54. Submitted question:

QUESTION: Does the City expect the future ERP system to be Cloud/SaaS-hosted or is it expected the selected consultant will assist with that determination?

RESPONSE: It is expected that the selected firm will assist the City with that determination.

55. Submitted question:

QUESTION: For the purposes of developing a cost proposal for the implementation phase, and recognizing the many variables related to that phase not yet known, may the City provide an estimated duration proposers can use for consistent proposals? For example, an 18-month implementation?

RESPONSE: No. The City has provided proposers the City's "Anticipated Modules for Implementation" in the Scope of Work and is relying on each proposer's experience and expertise in determining what an estimated duration for a successful implementation would be based on the City's anticipated needs.

56. Submitted question:

QUESTION: Would the City consider proposals that present a fixed-fee approach for the work effort through contract negotiations with the selected ERP system provider?

RESPONSE: No.

57. Submitted question:

QUESTION: Does the City anticipate issuing a single RFP for all functional areas in-scope, or would the City consider issuing two or more RFPs if the results of the Assessment process and recommendation of the selected consultant is to issue separate RFPs?

RESPONSE: The City anticipates issuing a single RFP for all functional areas in-scope; however, will consider multiple RFPs if the City determines it is in the City's best interest.

58. Submitted question:

QUESTION: Does the City have experience leveraging cooperative procurement vehicles (NASPO ValuePoint, The Interlocal Purchasing System, Texas DIR, etc.) as a means of an alternative approach to competitive RFP processes for technology and/or services (consistent with ARS 41-2632 and SCC 3.05.020 (c))?

RESPONSE: Yes.

59. Submitted question:

QUESTION: Will the Table of Contents be excluded from the 15-page proposal limit?

RESPONSE: No.

60. Submitted question:

QUESTION: Will the City allow tables, captions, and graphics to use font sizes smaller than 12-point font?

RESPONSE: Please refer to the response to Question 12 above.

END OF ADDENDUM NO. 1

ACKNOWLEDGEMENT

I have received Addendum No. 1 for the Project Management Services for the Selection and Implementation of an Enterprise Resource Planning (ERP) System project as described above and acknowledge it as part of the Contract Documents for this project.


Print Business Name

Date

Signature

Title

Addendum No. 1 issued by Cherie R. White, Director of Financial Services, City of Sedona.



Cherie R. White

August 8, 2023

Date

