

## Project Manager Questions August 28, 2018

- The RFP indicates that the City wants a fixed price bid for all of the work. However, the duration of the final phase (managing the implementation and training itself) is heavily dependent upon the solution and vendor selected by the City under that RFP. Will the City consider one of these two options?
  - a. A hybrid proposal (fixed price for the writing and evaluation phases and Time & Materials rate for the implementation/training phases?
  - b. A fixed price implementation/training phases with an assumed timeframe here, the City will execute a change order to increase the cost of this agreement to equal the number of weeks (in the third party software agreement) and at an hourly rate not to exceed \$\_?

The City will consider a variety of options when looking at a "fixed price" bid. The City desires to have the total amount needed to complete the project once the City makes software selections. The City is not interested in a time and materials rate.

For comparison purposes, the cost must be translated to a formula in the RFP so the same example scenario can be used to compare the costs to the various bidding companies. Having your formula tied to something outside your control such as the software agreement is permissible. The formula should leave no ambiguity in what the total cost will be that is in your control. If your formula leaves open ended questions – such as depends on which employee is sent; depends on when the company booked the flight, etc. – then the cost is not fixed.

The City understands that there are costs associated with travel but it also understands that costs change on when someone makes the arrangements. It is the City's desire that the company take time to look at travel costs and provide a fixed cost for such. Example 1: the average mileage cost to travel to Powell from Cincinnati, Ohio is 122 miles one-way. The mileage would be set so it doesn't shift because (a) a different employee was sent who lives farther away or (b) the person got lost or used a different route. Example 2: American Airlines from Chicago O'Hare to Columbus round trip is \$506 is leaving today. However, if you book 4 weeks out is \$223. Using a different airlines makes the costs change from \$523 for leaving today to \$240 if you book 4 weeks out. We would expect a set price for the airfare to accommodate the differences.

- Does the City's published budget include the allocation of funds for this RFP and the future ERP software RFP?

The 2018 published budget does not include an allocation of funds for this RFP and the future ERP software RFP. However, staff discussed with the City Council's Finance Committee in June 2018 the willingness of the committee to move forward with the project before the project management RFP was distributed. At that time, there was a willingness for the project.

The request for project management and software purchase has been submitted for the 2019 budget which will be approved by City Council in late November or early December 2018. A request of \$150,000 has been submitted but it is anticipated that staff will discuss with the City Council's Finance Committee, the costs submitted through the RFP process before agreeing to a software contract. This will allow modification to the budget amount, if City Council desires it, before the project begins.