

August 17, 2022

Dear LOGIS Members,

Over the past 18 months LOGIS has been working with its membership to research, evaluate, and select a new ERP and Utility Billing software solution to meet your needs. This featured a member-driven process involving 27 agencies who collectively established software functional requirements and participated in software demonstrations. It also included an 8-member ERP Selection Team to guide and oversee the entire process.

We also partnered with the Government Finance Officers Association's Research and Consulting Center to refine the requirements, create the RFP, guide the selection process, and assist on pricing negotiations. We received proposals from the following providers:

- Advanced Utility Systems
- Central Square
- Oracle Fusion
- Sprypoint
- Tyler MUNIS
- Workday

After two months of proposal reviews, four weeks of software demonstrations, and several months of follow-up discussions; the **Oracle Cloud ERP** and **Sprypoint Cloud Utility Billing** software solutions have been elevated by the ERP Selection Team as the preferred choice – a culmination of over 1,500 collective hours from the membership and LOGIS staff.

We recognize that moving to the new systems will require a significant financial and operational investment. To help guide you in this decision, we've compiled a list of advantages and value-added outcomes that accompany these changes. This list is presented in *Appendix A*. Proposed member costs are included in *Appendices B (annual) & C (one-time implementation)*.

We understand that this is a major decision that requires careful consideration. However, to secure your pricing, each member organization will need to provide a formal 10-year commitment by November 15, 2022. Please let us know if you have any questions or concerns regarding the selection process, proposed costs, or formal commitment. We look forward to serving your ERP and utility billing needs moving forward.

Sincerely,

Christopher K. Miller

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LOGIS Executive Director

Tonya L. Kusmirek

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LOGIS Director of Finance & Administration

Appendix A: Advantages & Value-Added Outcomes

Member Advantages

General

- Top-tier software solution with advanced features and capabilities
- Cloud-based solutions with on-going enhancements and functionality that will meet member needs as they evolve
- Direct software support from highly-trained LOGIS staff
- Guaranteed pricing for the next 10 years
- More competitive price entry points for prospective member participants

Oracle

- Enhanced user experience for financial & human resources staff and workflow and employee self-service capabilities for all employees
- Improved/added HR functionality over JDE
- Potential replacement for third-party HR applications such as NEOGOV, Benefits Connect, etc.
- Fully-integrated HR/payroll/general ledger systems (no more double-entry)
- Built-in workflow module including accounts payable
- Built-in budgeting and financial reporting modules/dashboards
- Separate data and configuration environment for each member

Sprypoint

- Fully-integrated with Oracle general ledger
- Fully-integrated meter management function
- Built-in mobile field service: Sprypoint
- Built-in customer portal/payment solution: Sprypoint
- Built-in utility billing workflow module
- Potential replacement for third-party electronic payment solutions
- State-of-the-art interface/web service capability
- Embedded business intelligence reporting platform
- Separate data and configuration environment for each member

Member Value-Added Outcomes

- Volume discount pricing on software solutions
- Vendor and LOGIS staff implementation services
- Relationship with vendors managed by LOGIS staff
- Software evaluation & selection process that featured a collective knowledge-base from 27 member-organizations
- Free on-site or remote training for system enhancements and staff on-boarding
- Locally-held user group meetings with over two dozen participating local governments

Appendix B: Member Annual Costs

Oracle Fusion Cloud ERP

Member	Current	NEW ERP Cost (estimated)			\$ Change
	Fin/HR/Pay Cost	Oracle Cost	LOGIS Cost	Total Cost	
NW Community TV	\$ 16,255	\$ 50,886	\$ 11,858	\$ 62,745	\$ 46,490
DCC	18,190	50,886	13,270	64,156	45,966
SW TRANSIT	18,555	50,886	13,536	64,423	45,868
MN VALLEY TRANSIT	27,410	50,886	19,996	70,882	43,472
WACONIA	36,860	50,886	26,890	77,776	40,916
RAMSEY	66,855	50,886	48,772	99,658	32,803
NEW HOPE	74,665	50,886	54,470	105,356	30,691
S. ST PAUL	77,655	50,886	56,651	107,537	29,882
AUSTIN	83,350	80,886	60,806	141,692	58,342
CRYSTAL	86,470	80,886	63,082	143,968	57,498
FARMINGTON	88,210	80,886	64,351	145,237	57,027
WHITE BEAR	95,750	80,886	69,852	150,738	54,988
GOLDEN VALLEY	104,680	80,886	76,366	157,253	52,573
SHAKOPEE	129,835	80,886	94,717	175,604	45,769
RICHFIELD	141,695	80,886	103,370	184,256	42,561
EDEN PRAIRIE	138,795	114,636	101,254	215,890	77,095
BROOKLYN CENTER	149,690	114,636	109,202	223,838	74,148
LAKEVILLE	152,785	114,636	111,460	226,096	73,311
APPLE VALLEY	155,120	114,636	113,163	227,800	72,680
COON RAPIDS	167,655	114,636	122,308	236,944	69,289
MINNETONKA	184,490	114,636	134,589	249,226	64,736
ST LOUIS PARK	201,210	114,636	146,787	261,423	60,213
EAGAN	216,965	114,636	158,281	272,917	55,952
MAPLE GROVE	251,770	114,636	183,672	298,308	46,538
	\$ 2,684,915	\$ 2,005,020	\$ 1,958,704	\$ 3,963,724	\$ 1,278,809

Notes:

- *Current* financial, HR, & payroll costs are based on members' 2023 budget amounts.
- Oracle costs includes annual licensing, software enhancements & upgrades, and data hosting. Oracle costs will remain fixed for 2023-2027, followed by a 2% annual increase from 2028-2032.
- LOGIS costs include all software support and training. Inflationary-type increases are projected in 2024-2032.
- '\$ change' column represents the difference between the new ERP system cost and your current cost with JDE + add-ons.
- Oracle Fusion ERP system modules are tightly integrated and cannot be priced separately. Oracle pricing includes all system components including financial, HR, payroll, workflow tools, and advanced reporting tools.

Appendix B: Member Annual Costs

Sprypoint Cloud Utility Billing					
	Current	NEW Utility Billing Cost (estimated)			
	Utility Billing	Sprypoint	LOGIS	Total	\$
Member	Cost	Cost	Cost	Cost	Change
NEW HOPE	\$ 69,640	\$ 27,824	\$ 36,689	\$ 64,513	\$ (5,127)
S. ST PAUL	69,710	33,372	36,726	70,098	388
FARMINGTON	51,620	33,580	27,195	60,775	9,155
GOLDEN VALLEY	69,760	35,620	36,752	72,372	2,612
CRYSTAL	69,905	36,888	36,828	73,716	3,811
WHITE BEAR	69,725	37,900	36,734	74,634	4,909
BROOKLYN CENTER	92,049	41,160	48,494	89,654	(2,395)
RICHFIELD	84,830	48,480	44,691	93,171	8,341
ST LOUIS PARK	103,505	60,852	54,530	115,382	11,877
APPLE VALLEY	116,240	71,096	61,239	132,335	16,095
MINNETONKA	116,320	74,572	61,281	135,853	19,533
EDEN PRAIRIE	134,395	88,032	70,804	158,836	24,441
EAGAN	132,130	88,312	69,611	157,923	25,793
COON RAPIDS	132,130	90,500	69,611	160,111	27,981
LAKEVILLE	116,320	98,996	61,281	160,277	43,957
MAPLE GROVE	132,130	103,744	69,611	173,355	41,225
WOODBURY	132,130	107,092	69,611	176,703	44,573
	\$ 1,692,539	\$ 1,078,020	\$ 891,687	\$ 1,969,707	\$ 277,168

Notes:

- *Current* utility billing costs are based on members' 2023 budget amounts.
- Sprypoint costs includes annual licensing, software enhancements & upgrades, and data hosting. Sprypoint costs will increase 5% annually from 2024-2032.
- LOGIS costs include all software support and training. Inflationary-type increases are projected in 2024-2032.
- LOGIS costs include all software support and training.
- '\$ change' column represents the difference between the new utility billing system cost and your current cost with CIS Infinity (Advanced).
- Pricing includes all system components including billing & payments, meter management, and mobile field service.

Appendix C: Member Implementation Costs

Oracle Fusion Cloud ERP	
	Impl.
<u>Member</u>	<u>Cost (est.)</u>
NW Community TV	\$ 158,885
DCC	158,885
SW TRANSIT	158,885
MN VALLEY TRANSIT	158,885
WACONIA	158,885
RAMSEY	158,885
NEW HOPE	158,885
S. ST PAUL	158,885
AUSTIN	252,555
CRYSTAL	252,555
FARMINGTON	252,555
WHITE BEAR	252,555
GOLDEN VALLEY	252,555
SHAKOPEE	252,555
RICHFIELD	252,555
EDEN PRAIRIE	357,935
BROOKLYN CENTER	357,935
LAKEVILLE	357,935
APPLE VALLEY	357,935
COON RAPIDS	357,935
MINNETONKA	357,935
ST LOUIS PARK	357,935
EAGAN	357,935
MAPLE GROVE	357,935
	<u>\$ 6,260,380</u>

Notes:

- Software implementation involves one-time costs that will be pro-rated and paid at various milestones throughout the process.
- Implementation services will be conducted jointly by the software provider and LOGIS.

Appendix C: Member Implementation Costs

Sprypoint Cloud Utility Billing	
<u>Member</u>	<u>Impl. Cost (est.)</u>
NEW HOPE	\$ 109,081
S. ST PAUL	109,081
FARMINGTON	109,081
GOLDEN VALLEY	109,081
CRYSTAL	109,081
WHITE BEAR	109,081
BROOKLYN CENTER	109,081
RICHFIELD	109,081
ST LOUIS PARK	109,081
APPLE VALLEY	156,184
MINNETONKA	156,184
EDEN PRAIRIE	156,184
EAGAN	156,184
COON RAPIDS	156,184
LAKEVILLE	156,184
MAPLE GROVE	156,184
WOODBURY	156,184
	\$ 2,231,200

Notes:

- Software implementation involves one-time costs that will be pro-rated and paid at various milestones throughout the process.
- Implementation services will be conducted jointly by the software provider and LOGIS.