CITY OF KINGSPORT

BUSINESS TECHNOLOGY ROADMAP & VENDOR SELECTION SERVICES FOR FINANCIAL INFORMATION SYSTEM

Contents

Background

Raftelis is currently providing consulting services to the City of Kingsport ("the City", "Kingsport") to modify their rate and financial planning model. Raftelis is also developing an RFP for the replacement of Kingsport's current Central Square Customer Information System ("CIS") solution. The City now wishes Raftelis to similarly evaluate the replacement of Kingsport's Central Square Naviline Financial Information System ("FIS") that include Financials, Human Resources, and Payroll as well as other City financial-related software solutions (Budget, Property Tax, Cashiering etc.).

Our Raftelis team has had deep experience in evaluating, selecting, and managing the implementation of modern commercial-off-the-shelf ("COTS") financial solutions for similar municipalities. This proposed Scope of Services begins with the development of the **Phase 1 – Business Technology Roadmap**. The Business Technology Roadmap will guide the City in the planning and selection of a new vendor software solution(s) and solution implementer(s) to replace the City's Central Square Naviline financial solution and other possible related software applications. **Phase 2 – Naviline Replacement** will contain the detailed activities for replacing the current Central Square FIS by assisting the City in the management, evaluation, and selection of the most suitable FIS solution based on the RFP responses received. We anticipate potential additional services to develop separate RFPs for the selection of additional software solutions if needed, to cover the recommendations contained in the Phase 1 Business Technology Roadmap.

All Raftelis' consulting services will be in support of the City's formal procurement processes and will be conducted in accordance with Kingsport's procurement standards. The expected outcome is the successful selection of a contemporary FIS that best aligns with the City's business strategies to maximize existing efficiencies and improve performance.

Phase 1 – Business Technology Roadmap

Task 1: Needs Analysis

The first effort in developing an RFP for the City of Kingsport requires a deeper understanding of the City's current and future needs for a new FIS solution. The Raftelis team will initially evaluate and validate the current state of Kingsport FIS solution to identify any significant gaps and/or opportunities for improvement.

Document Request: Raftelis will solicit key documents from the City including strategic business plan, organization chart, current and future system interfaces, pertinent new initiatives, and other relevant documents to assist the team.

Kickoff Meeting: Raftelis we will arrange a Kickoff Meeting with the Kingsport project team to introduce our team members and confirm project objectives, scope, schedules, milestones, and deliverables. It is anticipated this meeting will be two hours.

Group Kickoff Workshop: Our team will facilitate an on-site Group Kickoff Workshop for the broader group of City staff that will be interviewed during the project. This introductory meeting typically lasts 60 minutes and includes the following:
- Project overview, communications, and deliverables

- Logistics for individual interviews
- Questions

Interviews: Raftelis will then schedule and conduct individual and group interviews with the City's knowledgeable personnel to gain their perspectives and insights as to the implementation, functionality, user adoption, and effectiveness of the current Central Square FIS solution and supporting technologies.

We estimate that up to fifteen (15) interview sessions (i.e., combination of individual and group interviews) will be needed. We will also inquire as to the last Naviline update, user training, workarounds, interfaces, data quality, and reporting. Our goal is to identify what technology changes and/or process improvements would make their related work more efficient or effective.

Validation Workshop: After the results of the interview sessions are analyzed, our team will facilitate a Validation Meeting with appropriate City personnel. Raftelis will present our summarized findings and observations regarding the City's Naviline solution and supporting technologies. We will also highlight the core business practices that will likely need modification in alignment with best practices within modern COTS solutions.

Project Deliverables

- *Project Kickoff Meeting Minutes*
- *Document Request*
- *Validation Workshop Presentation*

Meetings:

- *Project Kickoff Meeting*
- *Interviews*

Task 2: Business Technology Roadmap

Based on information obtained above, Raftelis will develop a draft Business Technology Roadmap that addresses and prioritizes the City's most beneficial COTS solution improvements. Specific contents within the Business Technology Roadmap will include:

- Naviline solution replacement project description with associated City actions
- Identified Quick Wins
- Process enhancement recommendations
- Integrated program schedule
- Planning-level resource needs
- Planning-level budgets

Raftelis will present the draft Business Technology Roadmap to the City for their discussion, review, and comment. We will strive to build consensus through executive-level presentation(s) highlighting the technology improvement recommendations, cost summary, time estimates, resource needs, and benefits. We will address all pertinent review comments in the Final Business Technology Roadmap.

Project Deliverables

- *Draft Business Technology Roadmap*

- *Final Business Technology Roadmap*

Meetings
- *Business Technology Roadmap Presentation(s)*

Phase 2 – Naviline Replacement

The Business Technology Roadmap described above will provide the City with a solid direction for replacing the Central Square Naviline financial solution, as well as related software applications currently in use. Phase 2 is specifically designed to replace the main functionality of the Naviline financial solution including:

- Financials (i.e., chart of accounts, project accounting, general ledger, accounts payable, accounts receivable, budgeting, capital assets, Procurement Cards, financial reporting)

- Human Resources (i.e., human resources, recruiting, benefits, employee portal, applicant tracking)

- Payroll (i.e., timekeeping, payroll, expenses)

- Cashiering (i.e., customer payments (online vs. in person), credit card processing, drawer reconciliation, miscellaneous receivables, statements)

- Purchasing (i.e., inventoried items purchase orders, expense purchase orders, receiving, workflow approvals)

- Inventory (i.e., inventory management, inventory adjustments, inventory replenishments, inventory consumption)

However, the City's desired functionality may not reside in a single, new COTS solution. Since the City desires implementing best-of-breed software, if needed, Raftelis has also provided an optional scope of services for the development of a second RFP and the selection of one additional software solution as OPTIONAL Phase 3 – Additional COTS Solution Replacement.

Task 3: Naviline Replacement Requirements Spreadsheet

Initial Requirements Spreadsheet: Based on the prior Phase 1 activities, Raftelis will develop an initial set of detailed software and hardware requirements and implementation services required by the City to replace its Central Square Naviline solution.

Requirements Review Workshops: Raftelis will provide the Initial Requirements Spreadsheet to the appropriate City staff and conduct up to two (2) Requirement Review Workshops aimed at ensuring all material requirements are addressed. Many of the requirements are standard, but others are typically custom depending on the City's code, legal requirements, policies, processes, etc.

Requirements Prioritization: Raftelis will then help the City's team prioritize solution requirements in a Final Requirements spreadsheet. The highest priority requirements – "mandatory" or "critical" – will be suitable for qualifying potential vendors and products. These are typically incorporated directly into the Naviline Replacement RFP to help ensure proposal responses are a good fit for the City.

Final Requirements Spreadsheet: The Final Requirements Spreadsheet is a critical component to ensure the City receives the system and functionality it wants and to develop testing scenarios that tie back to requirements for a successful implementation. The requirements artifacts will be prepared in a format to facilitate incorporation directly into the final Naviline Replacement RFP document.

Deliverables

- *Initial Requirements Spreadsheet*
- *Final Requirements Spreadsheet*

Meetings

- *Requirements Review Workshops (2)*
- *Requirements Prioritization Workshop*

Task 4: Naviline Replacement RFP

Draft RFP: Raftelis will incorporate the prioritized requirements into a Draft FIS RFP that complies with the City's procurement policies. For elements that allow scoring or permit a range of values to be assigned, appropriate tables will be appended to the requirements specifications. Raftelis-supplied templates and Kingsport standard procurement templates will be utilized to finalize the following elements of the RFP:

- Vendor response forms
- Functionality/requirements questionnaires
- Detailed cost forms
- Vendor instructions

Raftelis will support the City's team in finalizing evaluation and weighting criteria and will recommend a selection process schedule for inclusion in the RFP. The RFP document will also request that vendors provide a timeline for the proposed implementation project. Kingsport's FIS RFP document will provide the requirements, specifications, and design information to solicit vendor proposals that address the following:

- *Server environment |* Necessary hardware, software, and services; as well as hosted/SaaS options
- *Software and services |* Necessary system and database software and services
- *Network environment |* Necessary connectivity hardware, software, and services
- *Desktop environment |* Necessary desktop hardware, software, and services
- *Sub-system environment |* Necessary hardware, software, and services for implementing subsystems such as web-enabling, electronic submittal, document management, imaging, cashiering, and e-commerce
- *Implementation services |* All services including project management, technical services, functional analysis, integration, configuration, data conversion, reporting, document generation and delivery, business process improvement, testing and acceptance, training, production cutover, and post-implementation support
- *Product modifications |* Proposed custom modifications to meet requirements

- *Integrations |* Proposed integrations with other City applications and related data sources including but not limited to APIs and external interfaces

Raftelis will conduct an RFP Review Workshop to review the draft FIS RFP with the Kingsport project team as well as the City's Legal and Procurement departments. We will add the City's edits to the RFP and any attachments. After completion of the FIS RFP Review Workshop, Raftelis will deliver the final FIS RFP to the City along with attachments for release.

Deliverables

- *Draft RFP*
- *Vendor response forms*
- *Detailed cost forms*
- *Vendor instructions*
- *Final RFP*

Meetings

- *Draft RFP Review Workshop*
- *Final RFP Review Workshop*

Task 5: Vendor Questions

The Raftelis team will provide support to the City by responding to prospective vendors' questions submitted during the questions period. We will also participate in one pre-proposal conference, if needed, and will help document the results. During this period, we expect to draft text to answer questions or contribute to RFP Addenda relating to these procurements, but we anticipate that the City will want all written communications resulting from the procurement process to be formally issued by the City.

Deliverables

- *Documented Question / Responses Summaries*

Meetings

- *Pre-Proposal Conference*

Task 6: Proposal Evaluation

Raftelis will perform an evaluation of submitted proposals and support the selection team in scoring proposals in compliance with the City's procurement policies. Proposal evaluation will include the following:

- Compilation of quantitative results from proposal functional requirements responses
- Compilation and comparison of proposal cost data
- Advise on technical aspects of the proposals
- Identification of exceptions, "red flags," and needed clarifications
- Responses to selection team questions

Proposal Review Workshop: Raftelis will facilitate a Proposal Review Workshop with the City to present findings and quantitative data regarding requirements and pricing, facilitate discussions to support the selection teams' scoring of the proposals on the remaining criteria. This workshop will also facilitate selection of a "short list" of vendors and include discussion of demonstration scenarios and presentation agendas that "short list" vendors will be required to follow during their presentations and demonstrations.

Deliverables

- *Proposal Evaluation Summaries*
- *Vendor Scoring Matrix*

Meetings

- *Proposal Review Workshop and Short List Scoring*

Task 7: Vendor Demonstrations

A key component of each software selection process is the demonstration of the product's capabilities by short-listed vendors. With the assistance of the City, we will prepare demonstration scripts for major business functions. These scripts will be applied equally to each vendor during the demonstrations, thus affording the selection team an opportunity to evaluate vendors against a common standard.

Deliverables

- *Demonstration Scripts*
- *Demonstration Score Sheets*
- *Minutes of Vendors' Demonstrations*

Meetings

- *Vendor Demonstrations*

Task 8: Client References / Site Visits

Following the demonstrations, the selection team should perform either virtual on on-site reference checks for at least two existing installations for each finalist vendor. Raftelis will help facilitate these reference checks to ensure that they are as beneficial as possible. Examples of our prospective assistance includes developing questions to ask about each finalist vendor and actively facilitate the client reference checks / site visit discussions.

Deliverables

- *Reference / Site Visit Agenda*
- *Reference / Site Visit Notes*

Meetings

- *References / Site Visits*

Task 9: Final Scoring Workshop

We will facilitate a Final Selection Workshop during which the results of all evaluation activities will be summarized and provided to the Selection Team. We will also facilitate a process of equalizing vendor proposals to account for differences in proposal content and inconsistencies. We will give the Selection Team answers to technical questions supporting its scoring of the proposals to select vendors with whom to conduct further negotiations.

> *Deliverables*
>
> - *Vendor Scoring Summary Matrix*
>
> *Meetings*
>
> - *Final Scoring Workshop*

Task 10: Contract Negotiations

Raftelis will provide support for procurement and negotiation of the scope of work and fees by performing the following services:

- Facilitating the determination of the final scope, configurations, and options that will be most advantageous to the City;
- Reviewing draft documents for compliance with representations made in the vendors' proposals, presentations, demonstrations, and other contacts with the City;
- Facilitating the negotiation of implementation project schedules and responsibilities for the selected vendor and the City; and
- Facilitating the negotiation of expected levels of support, issue resolution, escalation process, product warranty, and other service level agreement items.
- We will not provide legal advice during the vendor contract negotiation but will provide technical advice to ensure the scope of work proposed by the vendor meets the City's requirements.

After the preferred bidder has been selected, a Best and Final Offer ("BAFO") will be requested. The final proposal will include all components required to be provided by the finalist to implement the new software solution in accordance with all written requirements. A meeting will review the BAFO from the finalist. The BAFO will complete the final budget estimate for the new solution.

> *Deliverables:*
>
> - *Contract Reviews*
> - *Best and Final Offer Review*
>
> *Meetings:*
>
> - *Contract Negotiations*
> - *BAFO Meeting*

## OPTIONAL Phase 3 – Additional COTS Replacement

Based on the Business Technology Roadmap, additional RFP(s) may be required to replace functionality currently contained within the City's Central Square Naviline solution and/or other related City software applications (i.e., budgeting, cashiering, permitting, property tax, fleet management). This effort is optional and additional to the replacement of the City's Naviline financial solution described in Phase 2 above.

In the event that further system optimization and/or replacement are requested by the City, Raftelis will create a similar Statement of Work to this one. Our efforts would likely be similar in size and scope to this effort, depending on the level of complexity of the solution(s) being replaced. Future work would be performed at Raftelis' standard rates that are attached to this SOW.

Proposed Project Schedule

We propose to complete the scope of services within the estimated timeframes shown below to coordinate this project with the ongoing CIS project. Project timeline can be moved forward or backward to accommodate Kingsport staffing.

Preliminary Project Schedule - Navaline Replacement
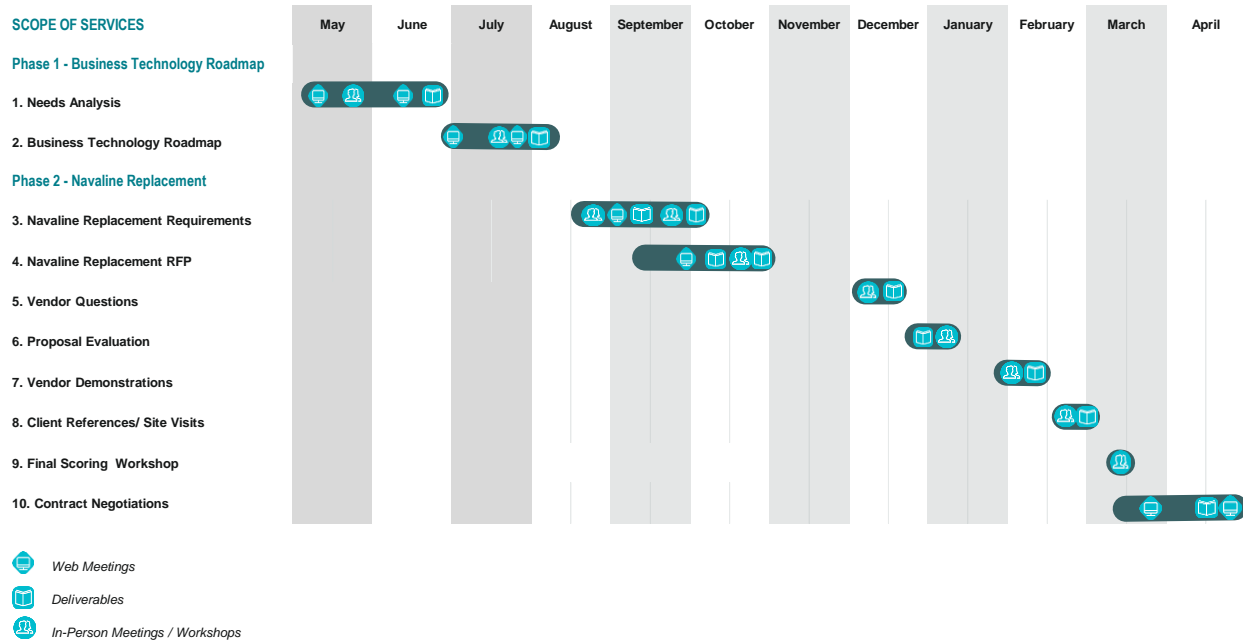
 The proposed schedule commences after project authorization and assumes we will receive data in a timely manner and can schedule meetings as needed.

Estimated Project Fees

The total estimated fees to provide the scope of services described above in this proposal is **$199,575**. This estimate includes all professional fees and anticipated project expenses. Our estimated fees assume approximately 643 total hours from Raftelis personnel.

Business Technology Roadmap and RFP Development							
Activity	PM	SME 1	SubTotal Hours	Subtotal Fees	Travel		Total
	$ 250	$ 275					
PHASE ONE - BUSINESS TECHNOLOGY ROADMAP							
Task 1 - Needs Analysis	*42*	*36*	*78*	$ *20,400*	$ *4,000*	$	*24,400*
Initial Planning and Document Review	8	4	12	$ 3,100		$	3,100
Kickoff Meeting and Interviews	24	24	48	$ 12,600	$ 4,000	$	16,600
Validation Workshop	10	8	18	$ 4,700		$	4,700
Task 1.1 Summary	*42*	*36*	*78*	$ *20,400*	$ *4,000*	$	*24,400*
Task 2 - Business Technology Roadmap	*44*	*28*	*72*	$ *18,700*	$ *3,000*	$	*21,700*
Draft FIS Technology Roadmap	24	16	40	$ 10,400		$	10,400
Final FIS Technology Roadmap	12	8	20	$ 5,200		$	5,200
Technology Roadmap Presentation	8	4	12	$ 3,100	$ 3,000	$	6,100
Task 1.2 Summary	*44*	*28*	*72*	$ *18,700*	$ *3,000*	$	*21,700*
Phase One Summary	**86**	**64**	**150**	$ **39,100**	$ **7,000**	$	**46,100**
PHASE TWO - NAVILINE REPLACEMENT							
Task 3 - Naviline Replacement Requirements Spreadsheet	*72*	*18*	*90*	$ *22,950*	$ *6,000*	$	*28,950*
Initial Requirements Spreadsheet	40	6	46	$ 11,650		$	11,650
Requirement Review Workshop	16	4	20	$ 5,100	$ 3,000	$	8,100
Requirement Prioritization Workshop	8	4	12	$ 3,100	$ 3,000	$	6,100
Final Requirement Spreadsheet	8	4	12	$ 3,100		$	3,100
Task 2.3 Summary	*72*	*18*	*90*	$ *22,950*	$ *6,000*	$	*28,950*
Task 4 - Naviline Replacement RFP	*64*	*28*	*92*	$ *23,700*	$ *3,000*	$	*26,700*
Create Draft RFP	40	12	52	$ 13,300		$	13,300
Draft RFP Review Workshop	16	12	28	$ 7,300	$ 3,000	$	10,300
Delivery of final RFP package	8	4	12	$ 3,100		$	3,100
Task 2.4 Summary	*64*	*28*	*92*	$ *23,700*	$ *3,000*	$	*26,700*
Task 5 - Vendor Questions	*28*	*6*	*34*	$ *8,650*	$ *1,600*	$	*10,250*
Pre-proposal conference	8	2	10	$ 2,550	$ 1,600	$	4,150
Documents preparation	12	2	14	$ 3,550		$	3,550
Document review	8	2	10	$ 2,550		$	2,550
Task 3.5 Summary	*28*	*6*	*34*	$ *8,650*	$ *1,600*	$	*10,250*
Task 6 - Proposal Evaluation	*56*	*19*	*75*	$ *19,225*	$ *3,000*	$	*22,225*
Proposal Evaluation Summaries	32	8	40	$ 10,200		$	10,200
Proposal Review Workshop	8	8	16	$ 4,200	$ 3,000	$	7,200
Prepare final report	16	3	19	$ 4,825		$	4,825
Task 3.6 Summary	*56*	*19*	*75*	$ *19,225*	$ *3,000*	$	*22,225*
Task 7 - Vendor Demonstrations	*60*	*14*	*74*	$ *21,350*	$ *4,000*	$	*25,350*
Demo Scripts preparation	24	4	28	$ 7,100		$	7,100
Demonstration score sheets	6	2	8	$ 2,050		$	2,050
Demo attendance	40	8	48	$ 12,200	$ 4,000	$	16,200
Task 3.7 Summary	*60*	*14*	*74*	$ *21,350*	$ *4,000*	$	*25,350*
Task 8 - Client References/ Site Visits	*38*	*8*	*46*	$ *11,700*	$ *4,000*	$	*15,700*
Agenda preparation	6	2	8	$ 2,050		$	2,050
Site visits	32	6	38	$ 9,650	$ 4,000	$	13,650
Task 3.8 Summary	*38*	*8*	*46*	$ *11,700*	$ *4,000*	$	*15,700*
Task 9 - Final Scoring Workshop	*28*	*16*	*44*	$ *11,400*	$ *3,000*	$	*14,400*
Workshop preparation	16	12	28	$ 7,300		$	7,300
Final Scoring Workshop	12	4	16	$ 4,100	$ 3,000	$	7,100
Task 3.9 Summary	*28*	*16*	*44*	$ *11,400*	$ *3,000*	$	*14,400*
Task 10 - Contract Negotiations	*22*	*16*	*38*	$ *9,900*	$ *-*	$	*9,900*
Contract negotiations	6	6	12	$ 3,150		$	3,150
Contract review	8	6	14	$ 3,650		$	3,650
Meetings attendance and document	8	4	12	$ 3,100		$	3,100
Task 3.10 Summary	*22*	*16*	*38*	$ *9,900*	$ *-*	$	*9,900*
Phase Two Summary	**368**	**125**	**493**	$ **128,875**	$ **24,600**	$	**153,475**
Phases 1 and 2 Total	**454**	**189**	**643**	$ **167,975**	$ **31,600**	$	**199,575**

It has been our pleasure working with Kingsport on past and current projects, and we look forward to the opportunity to support the City in this engagement. If the terms of this engagement are acceptable, please sign in the space below and return a copy of the letter for our files. Should you have any questions or concerns regarding the contents of this Scope of Services, please do not hesitate to contact me at 803.413.1455 or saukamp@raftelis.com.

We accept the terms of this Scope of Services:

_____	_____
Signature	Date
_____	_____
Title	Name of authorized agent