

BEFORE THE
METROPOLITAN SERVICE DISTRICT CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING AN)	RESOLUTION NO. 87-806
EXEMPTION TO THE PUBLIC CONTRACT-)	
IN PROCEDURE SET OUT IN METRO CODE)	Introduced by the
SECTION 2.04.010 ET SEQ. FOR THE)	Executive Officer
PURCHASE OF ACCOUNTING SOFTWARE AS)	
PART OF DATA PROCESSING PLAN)	
IMPLEMENTATION)	

WHEREAS, The Metropolitan Service District is in need of purchasing an accounting software package along with suitable computer hardware to serve Metro's data processing needs; and

WHEREAS, There currently exists an exemption (in Metro Code Section 2.04.041(b)(8)) to the competitive bidding process for the acquisition of computer equipment (hardware) but none exists for computer software; and

WHEREAS, It would be appropriate, due to the close association between the acquisition of the accounting software package and associated computer hardware, to allow for an exemption from competitive bidding in this instance for the purchase of the accounting software; and

WHEREAS, Metro Code Section 2.04.041(c) allows an exemption to the competitive bidding process upon findings: 1) that it is unlikely that such exemption will encourage favoritism or substantially diminish competition; and 2) that awarding the contract pursuant to the exemption will result in a substantial cost savings to Metro considering appropriate factors; and

WHEREAS, It is unlikely that an exemption will encourage favoritism or substantially diminish competition because: 1) an RFP process will be utilized for the purchase of the software,

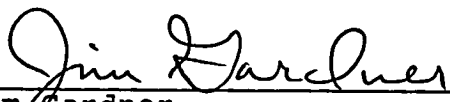
2) the invitation to submit proposals will be advertised, 3) RFPs will be sent to all known vendors of the type of software needed, and 4) cost will be a factor in the selection of the software package; and

WHEREAS, The exemption will result in substantial costs savings to Metro because 1) awarding the contract pursuant to strict competitive bidding could likely result in a greater long-term cost to Metro considering such factors as compatibility with current and future data processing needs, 2) the total cost of both hardware and software will be a significant factor in the selection process, and 3) the purchase of computer software does not lend itself to the low bid process due to the many unquantifiable factors which must be considered including quality of products and compatibility issues which will determine long-term costs to Metro; now, therefore,

BE IT RESOLVED,

That an exemption from the competitive bidding process is hereby granted for the purchase of computer software for the implementation of the Data Processing Plan project because the Metropolitan Service District Contract Review Board finds that the requirements of Metro Code Section 2.02.041(c) have been met.

ADOPTED by the Metropolitan Service District Contract Review Board this 10th day of September, 1987.



Jim Gardner,
Deputy Presiding Officer

LN/gl
8100C/513
09/01/87

CONSIDERATION OF RESOLUTION NO. 87-806 FOR THE
PURPOSE OF AUTHORIZING AN EXEMPTION TO THE PUBLIC
CONTRACTING PROCEDURE SET OUT IN METRO CODE
SECTION 2.04.010 ET SEQ. FOR THE PURCHASE OF
ACCOUNTING SOFTWARE AS PART OF DATA PROCESSING
PLAN IMPLEMENTATION

Date: August 31, 1987

Presented by: LeRoy Nollette

FACTUAL BACKGROUND AND ANALYSIS

The Data Processing Plan was adopted in August 1987 which includes an objective to purchase a computer and an accounting software package to replace the Digital Equipment Corporation PDP 11/34 computer and the existing accounting system.

The current contract rules recognize that the computer hardware selection process needs some flexibility to assure that Metro can properly evaluate the equipment and to optimize the benefit for Metro. While software is even more difficult to specify and in this case, part of a preliminary process in the selection of a computer, it is not excluded from formal bidding as computer equipment is. If software is purchased from the lowest bidder, the selection may not take into account maturity of the product and vendor, ease of installation, ongoing support costs and compatibility with hardware.

Our strategic plan for purchasing the computer and software is to initially identify qualified software packages that meet our accounting needs. Leading software packages would be located by sending RFPs for accounting software packages to software vendors and accounting houses. From the leading respondents to this process, we will know on what hardware and computer operating systems the accounting packages will run. With this list of hardware suppliers, we will seek proposals for equipment and operating systems that support Metro's accounting and other software needs.

The decision for the hardware and accounting software would be based on the best value for Metro of the combination of the following:

- Computer Equipment
- Accounting Software
- Other Metro Software Requirements
- Support and Maintenance Level of Above

This process would yield the best solution to Metro's primary need, an accounting system, and assure that the software is in an environment that maximizes its effectiveness.

The benefit to Metro is that the value of the new system will be based on the combination of both hardware and software. The process of acquisition is consistent and integrated, and the primary computing need of Metro, the accounting system, will not be compromised by the equipment selection process.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 87-806.

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8.2 Consideration of Resolution No. 87-805, for the Purpose of Amending Resolution No. 87-744, Revising the FY 1987-88 Budget and Appropriations Schedule

Jennifer Sims, Management Services Director, explained the budget amendment would transfer from Zoo Capital Fund contingency \$60,000 to the Administration/Education Center project budget. The project construction contract had been approved by the Council earlier in the meeting.

Motion: Councilor Kirkpatrick moved to adopt Resolution No. 87-805 and Councilor Hansen seconded the motion.

Vote: A vote on the motion resulted in all seven Councilors present voting aye. Councilors Bonner, Cooper, DeJardin, Ragsdale and Waker were absent.

The motion carried and Resolution No. 87-805 was adopted.

8.3 Consideration of Resolution No. 87-806, for the Purpose of Authorizing an Exemption to the Public Contracting Procedure Set Out in Metro Code Section 2.04.010 et seq. for the Purchase of Accounting Software as Part of Data Processing Plan Implementation

Ray Phelps, Finance & Administration Director, and Leroy Nolette, Data Processing Manager, discussed the need for software purchases to implement the Data Processing Plan. Metro's Code exempted computer hardware from competitive bidding procedures but did not exempt software. Staff would return to the Council at a later date requesting adoption of an Ordinance to amend the Code to include an exemption of computer software.

Motion: Councilor Ragsdale moved Resolution No. 87-806 be adopted and Councilor Collier seconded the motion.

Vote: A vote on the motion resulted in all eight Councilors present voting aye. Councilors Bonner, Cooper, DeJardin and Waker were absent.

The motion carried and Resolution No. 87-806 was adopted.

9. OTHER BUSINESS

9.2 Executive Session

At 7:25 p.m. Deputy Presiding Officer Gardner called an executive session under the authority of ORS 192.660(1)(e) for the purpose of discussion real property transactions for the Oregon Convention