RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO EXECUTE AN AGREEMENT WITH MYTHICS, INC. TO PURCHASE SOFTWARE, ANNUAL MAINTENANCE AND TECHNICAL SUPPORT SERVICES FOR THE ORACLE E-BUSINESS SUITE, FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED $1,700,000 FOR A FIVE YEAR TERM

Signed

Douglas Guthrie
President and CEO

Luis Yataco
Information Technology Director

PURPOSE: The Housing Authority of the City of Los Angeles ("Authority") desires to purchase software, annual maintenance and technical support services for the Oracle e-Business Suite by leveraging the OMNIA Partners/Maricopa County contract with Mythics, Inc. No. 180233-002.

ISSUES: The Oracle e-Business Suite ("EBS") and other related software are the standard Enterprise Resource Planning ("ERP") system for the Authority. This is the main software application used by the General Services, Finance and Human Resources departments. It supports critical business functions such as the General Ledger, Budgeting, Grants, Accounts Payable, Accounts Receivable, Procurement, Fixed Assets, Time Cards, Payroll, Human Resources, and Benefits. EBS is the system of record used by the Authority for financial transactions, purchasing processes and payroll transactions.

In 2014, after a general review of ERP alternatives available from other vendors (SAP, ORACLE, etc.), the Authority decided to pursue a major upgrade for ORACLE EBS from version 11 to 12. This presented an opportunity to further automate workflows and use additional functionality. EBS is one of the market leaders of major ERP systems for government and, over the years, the Authority has customized EBS to best fit the needs of the operations. Currently, there are third-party applications that address niche business processes but they do not have the integration imbedded within EBS.

The current EBS contract for software, annual maintenance and technical support services with Oracle expires March 31, 2020. Continued annual maintenance and technical support for the EBS system is essential. This allows critical patches and updates to be readily available to the Authority. These patches help maintain the optimal operation of the application and keep it current by applying "fixes" to application errors found by the user community. In the future, the purchase of additional software products will
expand our utilization of EBS functionalities.

PROCUREMENT BACKGROUND:

The U.S. Department of Housing and Urban Development (HUD) permits and encourages housing authorities to purchase common goods and services that are routine in nature under competitively awarded contracts entered into by other public agencies and purchasing cooperatives through a procedure called "cooperative purchasing" to realize greater economy, efficiencies and reduce costs. The Authority desires to utilize the Mythics Contract No. 180233-002 to purchase EBS software, annual maintenance, and technical supportive services.

The cooperative contracts are competitively solicited and publicly awarded by a government entity serving as the lead agency. Maricopa County has awarded Mythics, Inc. Contract No. 180233-002 pursuant to Request for Proposals (RFP) 180233. Mythics is an award-winning Oracle systems integrator, consulting firm, managed services provider and Platinum level member of Oracle PartnerNetwork representing Oracle product lines across cloud, software, support, hardware, engineered systems, and appliances. As an Oracle PartnerNetwork (OPN) 10x partner of the year, with more than 18 years of Oracle experience and 1000s of successful Oracle technology implementations, Mythics is uniquely positioned to provide OMNIA Partners, Public Sector (subsidiaries National IPA & US Communities) members with cost effective Oracle solutions.

OMNIA Partners is the largest cooperative purchasing organization for public sector procurement. They have brought together the nation's two leading cooperative purchasing organizations – National IPA and U.S. Communities – under one roof to form OMNIA Partners, Public Sector. The collective buying power of these unified purchasing cooperatives delivers superior value and savings for public agencies nationwide.

VISION PLAN:

PATHWAYS Strategy #5 Optimize technology platforms to enhance customer service and better support program delivery.

Keeping the Enterprise Resource Planning system current allows staff to focus on carrying out the mission of the Authority without being impeded by outdated software. The purchase of software, annual maintenance and technical support services for the Oracle e-Business Suite on a periodic basis is necessary to support program delivery.

PATHWAYS Strategy #7 Identify opportunities to reduce operating and administrative costs so that scarce resources are maximized.
As part of and since the 2014 upgrade, HACLA has invested significant personnel resources to optimize Oracle EBS, including improved workflows and additional functionality. This will continue during the next contract period with additional enhancements, such as the expansion of iSupplier, which streamlines the vendor payment process and reduces paper transactions.

**FUNDING:** The Chief Administrative Officer confirms the following:

*Source of Funds:* Since the ERP software is required to support all programs for service delivery, these costs are funded through management fees paid to the central office for administrative support.

*Budget and Program Impact:* Necessary funds are included in the 2020 Operating Budget and will be included in future operating budgets as needed.

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<thead>
<tr>
<th>ORACLE e-Business Suite Software Support and Annual Maintenance</th>
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<tr>
<td><strong>Contract Period:</strong> April 1 – March 31</td>
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<tr>
<td><strong>Total</strong></td>
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**ENVIRONMENTAL REVIEW:** Not Applicable

**SECTION 3:** The proposed contract is being procured through a piggyback contract, the terms of which have been previously negotiated. Notwithstanding, the Authority extended Section 3 applicability to the procurement in accordance with the Authority's Section 3 Guide and Compliance Plan. The Section 3 Compliance Administrator held discussions with Mythics to explore hiring. As such, Mythics made a commitment to contribute to Authority's Section 3 Fund. The funds will be used in support of job training, education and employment services programs specifically directed to assist Section 3 Residents to find meaningful employment.

**Attachments:**

1. Resolution
RESOLUTION NO.__________

RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO EXECUTE AN AGREEMENT WITH MYTHICS, INC. TO PURCHASE SOFTWARE, ANNUAL MAINTENANCE AND TECHNICAL SUPPORT SERVICES FOR THE ORACLE E-BUSINESS SUITE, FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED $1,700,000 FOR A FIVE YEAR TERM

WHEREAS, the Oracle e-Business Suite ("EBS") and other related software are the standard Enterprise Resource Planning system for the Housing Authority and support critical business functions; and

WHEREAS, the purchase of maintenance and technical support services for Oracle e-Business Suite and related products are necessary and critical to the success of the functions of the Authority and cannot be provided by regular employees of the Authority; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) encourages housing authorities to purchase items under contracts awarded by other public agencies through a procedure called "cooperative purchasing"; and

WHEREAS, for the reasons set forth in the Report of the President and CEO of the same date herewith, the Housing Authority desires to utilize Contract No.180233-002 between Maricopa County and Mythics, Inc., for the procurement of software, continued annual maintenance and technical support for the EBS.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners authorizes the President and CEO to execute an agreement with Mythics, Inc. to purchase software, annual maintenance and technical support services for a total contract amount not-to-exceed $1,700,000 for a five-year term.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM:    HOUSING AUTHORITY OF THE
JAMES JOHNSON    CITY OF LOS ANGELES

BY:______________________    BY:______________________
General Counsel    Chairperson

DATE ADOPTED:______________________