



MEMORANDUM

Date: May 9, 2024

To: Honorable Mayor and Commissioners

Via: Albert P. Childress
City Manager 

From: David Monroe
IT Director

Subject: **24-5870 Approval of 60-Month Agreement for Cloud Hosting Services for the Oracle Human Capital Management Software provided by Mythics, LLC**

Introduction

Respectfully request the City Commission to approve a 60-Month Agreement with Mythics, LLC as an authorized partner of Oracle for the cloud hosting services for their Fusion Human Capital Management and Recruiting Cloud Service hosting services in the amount of \$199,962, pursuant to City of Key West Code of Ordinances Section 2-797(3)(a) Purchases and Acquisitions under Contracts, and (4)(b), Best Interests of the City.

Background

Beginning in 2021, the Human Resource Department began to research Human Capital Management Systems to replace the current system which was originally implemented in 2015. After researching and evaluating several different platforms, the Oracle Human Capital Management System was chosen.

On February 8, 2024, via Resolution 24-030, the City Commission approved the procurement and implementation of the Oracle Fusion Human Capital Management platform in the amount of \$268,998. This amount included funding for implementation services provided by Forthsquare in the amount of \$228,998 as well as Year 1 of hosting services in the amount of \$40,000.

While the implementation services for the Oracle software product are a one-time cost, the cloud hosting component is an annual service subject to increases on a year-to-year basis. Mythics, LLC has given the City pricing per Omnia Maricopa County Contract #180233-002, with a 60-month agreement. This agreement locks in pricing for a 60-month period without any increase during the term saving the city

money for the term of the agreement. The agreement also has a non-appropriation clause, which allows the City to terminate the agreement if a budget appropriation is not made in a given fiscal year.

Procurement

Year one of the agreement is currently funded in General Fund/Human Resources/Memberships, Books & Subscriptions account number 001-1302-513-5400. Funding for subsequent years will be budgeted in accordance with the agreement schedule.

The following is a breakdown of the pricing:

<u>Oracle Cloud Service</u>	<u>Service Period</u>	<u>Total</u>
Fusion Human Capital Management	60 Months	\$130,410.00
Fusion Recruiting	60 Months	<u>\$ 69,552.00</u>
TOTAL		\$199,962.00

PAYMENT SCHEDULE

- PO #1 to be issued on or before 4/30/2024 in the amount of \$39,992.40 (Approved Res 24-030)
- PO #2 to be issued on or before 3/31/2025 in the amount of \$39,992.40
- PO #3 to be issued on or before 3/31/2026 in the amount of \$39,992.40
- PO #4 to be issued on or before 3/31/2027 in the amount of \$39,992.40
- PO #5 to be issued on or before 3/31/2028 in the amount of \$39,992.40

Recommendation

Respectfully request the City Commission to approve a 60-Month Agreement with Mythics, LLC as an authorized partner of Oracle for the cloud hosting services for their Fusion Human Capital Management and Recruiting Cloud Service hosting services in the amount of \$199,962, pursuant to City of Key West Code of Ordinances Section 2-797(3)(a) Purchases and Acquisitions under Contracts, and (4)(b), Best Interests of the City.