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**SINGLE SOURCE AWARD** **BID # SS-12883-22**

**Subject:** Oracle Mission Critical Support for SaaS, Advanced (1Cloud ERP)

**Department:** Information Technologies Division

**Description of Purchase:**
Recommend approval of Single Source Award to Oracle America, Inc. for the support of Oracle 1Cloud Enterprise Resource Planning (ERP) System from Oracle Advanced Customer Services (ACS), a division of Oracle America. The City requires these services to assist the extensive support of the 1Cloud system. The ACS team provides the Mission Critical Support for SaaS (MCS). The period of service will be 14 months from the effective date of the Ordering Document. The requested total expenditure not to exceed $207,554.40.

Funding Source: 53106.113002.565091.000636.00000000.00000.0000000, to be executed by purchase order(s).

**Single Source Award To:** Oracle America, Inc.

**Price Justification:** See Attached

**Total Award:** $207,554.40 **Requisition #** FAIT-501803-22

**Attachments:** Agency Memo, Single Source Form, Vendor Letter, Vendor Ordering Document

**Certification as to Single Source:** Kenneth Lathrop, Chief of Information Technologies Division/CIO

**THE ABOVE PURCHASE IS RECOMMENDED FOR AWARD IN ACCORDANCE WITH CHAPTER 126.206.**

**ANALYST: Ruben Ola**

**Gregory Pease, Chief**
**Procurement Division**

***APPROVAL OF GENERAL GOVERNMENT AWARDS COMMITTEE***

**"ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS"**

***CHAIRMAN*** ***DATE***

**ACTION OF AWARDING AUTHORITY**

**DATE:** _____

**APPROVED** _____ **DISAPPROVED** _____

**OTHER** _____

**SIGNATURE OF AUTHENTICATION** _____

**FORM GB-114, Revised 12/2007**

# City of Jacksonville, Florida

*Lenny Curry, Mayor*

Information Technologies Division
Ed Ball Building
214 N. Hogan Street, Suite 900
Jacksonville, Florida 32202

ONE CITY ONE JACKSONVILLE

June 30, 2022

**TO:** Gregory W. Pease
Chief of Procurement

**VIA:** Patrick "Joey" Greive
Director of Finance and Administration / CFO

**FROM:** Kenneth E. Lathrop
Chief of Information Technologies / CIO

Kenneth E. Lathrop — Digitally signed by Kenneth E. Lathrop Date: 2022.06.30 15:13:56 -04'00'

**SUBJECT:** Single Source Request – Oracle Mission Critical Support for 1Cloud

The Information Technologies Division, (ITD) requests to acquire managed services for the support of the Oracle 1Cloud Enterprise Resource Planning (ERP) System from Oracle Advanced Customer Services (ACS), a division of Oracle America. The City requires these services to assist with extensive support of the 1Cloud system. The ACS team provides the Mission Critical Support for SaaS (MCS) with services that include:

The MCS for SaaS services include:

1. Critical Processes - Monitoring 24/7; Early reaction to issue resolution; Alternative workaround when required; Coordination and communication for problem resolution.
2. Extensions and Integrations - Supporting level 3 & 4 issues; Break-fix support; Extension development for current or existing enhancements; Extensions life-cycle management from SaaS to all other systems.
3. Regression Testing - Aligning to quarterly updates; handling new or existing integration or extensions; Ability to test new modules as released; Changes to configuration or setups; Impact analysis and problem resolution.
4. Business Help desk - Data analysis and reconciliation; Management of workflow, jobs and batches; diagnosis and support of functional issues with root cause for Severity 1; Dedicated functional team that knows the applications and integrations.

This request is based on Cloud Service Unit (CSU) pricing for Oracle Advanced Customer Services (ACS) to Oracle America, Inc. in the amount of $207,554.40, for a period of 14 months from the effective date of the Ordering Document. The Professional Services Ordering Document effective date will be upon the last party's execution.

Upon award approval, a request for a formal contract will be made through the Office of General Counsel.

Contract Purchase Agreement not-to-exceed amount: $207,554.40

Tracy Geake Digitally signed by Tracy Geake Date: 2022.06.30 14:23:11 -04'00'

Funding Source: 53106.113002.565091.000636.00000000.00000.0000000

Attachments:
Justification of Single Source (JSS) Form
Oracle Supplier's Single Source Letter
Oracle Ordering Document & Quote

CC:
Paul Freeman, Enterprise Applications Manager

Paul Freeman Digitally signed by Paul Freeman Date: 2022.06.30 14:26:46 -04'00'

# JUSTIFICATION FOR SINGLE SOURCE (JSS)

*Pursuant to the City of Jacksonville Procurement Code§ 126.206 & § 126.312, when requesting a purchase from a vendor subject to the referenced sections, please complete this form to justify your request and submit to Procurement with applicable attachments.*

| | |
|---|---|
| ***1. Requesting Agency:*** | Information Technologies |
| ***2. Nature and/or description of the requirement being requested.***<br><br>***Identify each item, component or service being procured. (Attach quote/proposal):***<br><br>***Why does the City need these particular goods or services?*** | The City requires managed services for the support of the Oracle 1Cloud Enterprise Resource Planning (ERP) System from Oracle Advanced Customer Services (ACS), a division of Oracle America in the amount of $207,554.40. The City requires these services to assist with extensive support of the 1Cloud system. The ACS team provides the Mission Critical Support for SaaS (MCS ) with services that include: 1.) Critical Processes - Monitoring 24/7, Early reaction to issue resolution, Alternative workaround when required, Coordination and communication for problem resolution 2.) Extensions and Integrations - Supporting level 3 & 4 issues, Break-fix support, Extension development for current or existing enhancements, Extensions life-cycle management from SaaS to all other systems 3.) Regression Testing - Aligning to quarterly updates, Handling new or existing integration or extensions, Ability to test new modules as released, Changes to configuration or setups, Impact analysis and problem resolution 4.) Business Help desk - Data analysis and reconciliation, Management of workflow, jobs and batches, Diagnosis and support of functional issues with root cause for Severity 1, Dedicated functional team that knows the applications and integrations. |
| ***3. Provide a detailed justification as to why the requested goods/services can only be efficiently and effectively procured through the recommended Single Source vendor:*** | Oracle America, Inc. is the developer and provider of the Oracle Cloud ERP Applications, the Oracle Advanced Customer Services (ACS) is the appropriate and prudent source for any Cloud applications managed services. The ACS team provides the Mission Critical Support for SaaS (MCS for SaaS) and is focused solely on providing managed services specific to Oracle Software. Contracting for the software implementation services directly with the company that is also the developer of the applications themselves provides the advantage of deep product functional and technical knowledge of the software capabilities. |
| ***4. Date of Request*** | 6/1/2022 |

***5. Summary of Market Research***

*[Provide a description of the market research performed, how it was performed, by whom, and market research results. Please spell out acronyms.]*

[ There are resellers of Oracle-related services, however none compare in depth or knowledge and resources to Oracle itself as a source of these services. The City has found this to be true through actual implementation experience on the part of the Oracle project sponsorship and implementation teams. ]

6. ***Other Documentation (Check and attach all that apply)***

√ Supplier Quote

√ Single Source Memo signed by Director

☐ Other [Click here to list other documentation. ]

Dear Michael,

Oracle Advanced Customer Services (ACS) is a division of Oracle America, Inc. and is focused solely on providing application consulting services specific to Oracle Software. Within Oracle, ACS is the only Oracle group that performs Oracle Cloud application run and maintain. ACS has a suite of proprietary tools, methods, capabilities, and accelerators to aid in efficient business results and focused implementations. All designed specifically for use with Oracle's Cloud software portfolio.

As Oracle America, Inc., is the developer and provider of the Cloud Applications, ACS is the appropriate and prudent source for any Cloud applications managed services. Contracting for the software managed services directly with the company that is also the developer of the applications themselves provides many unique advantages including deep product functional and technical capability and ready access to Oracle software development.

ACS has a unique view into Oracle's broader capabilities, and this allows us to advise, consult and guide our clients around Oracle's entire software suite. Underpinning all our work is our proprietary run and maintain service, Mission Critical Support for SaaS (MCS for SaaS). Internally developed and built from the ground up specifically for use in managing Oracle's Cloud applications, MCS for SaaS helps us to efficiently and consistently accelerate business outcomes for our clients in accordance with the Oracle Cloud application's modern best practices.

Sincerely,

Joshua Walsh
Sr. Manager
Advanced Customer Services 2022

ORACLE

# ORDERING DOCUMENT

Oracle America, Inc.
500 Oracle Parkway
Redwood Shores, CA
94065

| | | | |
|---|---|---|---|
| **Name** | City of Jacksonville | **Contact** | Michael Turner |
| **Address** | 117 W Duval St Ste 400<br>Jacksonville FL<br>32202 | **Phone Number** | 9042558413 |
| | | **Email Address** | mturner@coj.net |

**Renew Subscription Term: 31-Aug-2022 to 30-Oct-2023**

**Service Period: 14 months**

| Cloud Services | Data Center Region | Quantity | Term | Unit Net Price | Net Fee |
|---|---|---|---|---|---|
| B88098 - MCS - Oracle Mission Critical Support for SaaS, Advanced | NORTH AMERICA | 1 | 14 mo | 12,414.60 | 173,804.40 |
| | | | **Subtotal** | | 173,804.40 |

| Consulting / Professional Services Fees | Quantity | Term | Net Fee |
|---|---|---|---|
| B87404 - MCS - Oracle Cloud Service Unit - Each | 300 | N/A | 33,750.00 |
| | | **Other Fees** | 33,750.00 |

| Fee Description | Net Fee |
|---|---|
| Cloud Services Fees | 173,804.40 |
| Consulting / Professional Services Fees | 33,750.00 |
| **Net Fees** | 207,554.40 |
| **Total Fees** | 207,554.40 |

## A. Terms of Your Order

### 1. Applicable Agreement:

a. Oracle Federal Agreement for Oracle Cloud Services US-CSA-CPQ-684547 effective 28-MAR-2018

### 2. Cloud Payment Terms:

a. Net 30 days from invoice date

### 3. Cloud Payment Frequency:

a. Quarterly in Arrears

### 4. Currency:

a. US Dollars

### 5. Offer Valid through:

a. 31-Aug-2022

### 6. Service Specifications

a. The Service Specifications applicable to the Cloud Services and the Consulting/Professional Services ordered may be accessed at http://www.oracle.com/contracts.

### 7. Services Period

a. The Services Period for the Services commences on the date stated in this order. If no date is specified, then the "Cloud Services Start Date" for each Service will be the date that you are issued access that enables you to activate your Services, and the "Consulting/Professional Services Start Date" is the date that Oracle begins performing such services.

## B. Additional Order Terms

### 1. Segmentation

The purchase of Cloud Services, Professional Services, or other service offerings, programs or products are all separate offers and separate from any other order. You understand that You may purchase Cloud Services, Professional Services, or other service offerings, programs or products independently of any other order. Your obligation to pay under any order is not contingent on performance of any other service offerings or delivery of programs or products.

### 2. Oracle Data Processing Agreement for Oracle Consulting and Advanced Customer Services

a. To the extent You provide personal information to Oracle as part of Oracle's provision of services under this order, Oracle will comply with the applicable version of the Oracle Data Processing Agreement for Oracle Services. The version of the Data Processing Agreement applicable to Your order is available at https://www.oracle.com/corporate/contracts/cloud-services/contracts.html#data-processing and is incorporated herein by reference.

b. For the services specified in this order, in addition to the Third Party Subprocessors listed on My Oracle Support, the following Third Party Subprocessors may also process Your personal information:

| Third Party Subprocessor | Location | Type of Service |
|---|---|---|
| N/A | | |

### 3. Terms for Consulting/Professional Services

**Consulting/Professional Services Payment Frequency:**

Unless otherwise specified in services descriptions applicable to the consulting/professional services You have ordered, or in an exhibit specifying the consulting/professional services You have ordered, the fees for services and any applicable taxes may be invoiced (i.) upon Your execution of and Oracle's acceptance of this order in advance of service performance for fixed fee services; or (ii.) after the performance of service for fixed fee services, where advance invoicing is prohibited by law (e.g. public sector accounts); or (iii.) monthly as services are performed for Time and Materials services which are identified above as "per Hour". You are responsible for payment of expenses, if any. Expenses will be invoiced monthly as they are incurred.

**Assumptions and obligations for Consulting/Professional Services:**

Upon Oracle's reasonable request, You agree to provide Oracle access to relevant resources with knowledge to support the performance of the services.

You will provide for all Oracle resources performing services at Your location, a safe and healthful workspace (e.g., a workspace that is free from recognized hazards that are causing, or likely to cause, death or serious physical harm, a workspace that has proper ventilation, sound levels acceptable for resources performing services in the workspace, and ergonomically correct work stations, etc.).

As required by U.S. Department of Labor regulations (20 CFR 655.734), You will allow Oracle to post a notice regarding Oracle H-1B employee(s) at the work site prior to the employee's arrival on site.

### 4. Non-Appropriation

In the event funds are not appropriated for a new fiscal year period, You may terminate this order immediately without penalty or expense; provided, however, that: (a) for each of the 12-month terms of the order, You must provide a purchase order, and (b) Your issuance of each 12-month purchase

order shall signify to Oracle that all funds for the given 12-month term have been fully appropriated and encumbered. Notwithstanding the foregoing, You agree to pay for all services performed by Oracle prior to Oracle's receipt of Your notice of non-appropriation.

## 5. Professional Services Delivery Policies

The Oracle Professional Services Delivery Policies ("Policies") available at http://www.oracle.com/contracts apply only to the Consulting/Professional Services you have acquired under this order.

## 6. ORACLE MANAGED CLOUD SERVICES TERMS

The terms in this Oracle Managed Cloud Services Terms section apply only to services in the Cloud Services and/or Consulting/Professional Services Ordered tables on the first page of this order beginning with "MCS - " (individually, a "Managed Cloud Service", and collectively, the "Managed Cloud Services"). Capitalized terms used in this section but not defined within this order have the meaning set forth in the Agreement, or the Oracle Managed Cloud Services Definitions Schedule available at https://support.oracle.com by searching on Document ID 780129.5.

### a. Services Ordered

The Managed Cloud Services purchased by You under this order are described in the Oracle Managed Cloud Services Service Descriptions published at www.oracle.com/contracts.

### b. Your Obligations

You acknowledge that Oracle's ability to perform the Managed Cloud Services depends upon your fulfillment of the following obligations:

1. You acknowledge that the Managed Cloud Services are designed with capabilities for You and Your Users to access the Managed Cloud Services without regard to geographic location and to transfer or otherwise move Your Content between the Managed Cloud Services and other locations such as User workstations. You are solely responsible for the authorization and management of User accounts across geographic locations, as well as export control and geographic transfer of Your Content. Additionally, for Oracle Cloud at Customer Services, You are responsible for providing adequate physical and network security (e.g., intrusion detection systems, access controls, and firewalls) to prevent unauthorized access to Your Oracle Cloud Services from Your networks.

2. You are responsible for acquiring and maintaining all applicable software, equipment, and telecommunications required to connect to the Managed Cloud Services via a network connection that meets Oracle's specifications.

3. You acknowledge that (i) you have separately acquired and will continue to maintain for the duration of the Managed Cloud Services a cloud subscription or the licenses and Oracle Software Update License & Support (also referred to as "Premier Support"), or any equivalent successor Oracle technical support offering, for any necessary Oracle programs, including those for which the Managed Cloud Services are provided, (ii) you will maintain licenses and technical support for any Third Party Software or Required Software used in your Environment(s), and (iii) your use of such programs and technical support are governed solely by the agreement(s) under which such subscription or licenses and technical support are obtained.

4. You shall obtain at your sole expense any and all rights (including license rights) and consents from third parties necessary for Oracle and its subcontractors to access Third Party Software (including any Required Software) or perform the services under this order. Unless specified otherwise in a Service Description, you are solely responsible for maintenance of, the performance of, any testing of, and resolving any issues related to, Third Party Software, and any other software transitioned into your Environment(s) without Oracle's prior consent, as well as the impact that such Third Party Software and such other software may have on the Managed Cloud Service.

5. You shall defend and indemnify Oracle against liability arising under any applicable laws, ordinances or regulations from your termination or modification of the employment of any of your employees in connection with Managed Cloud Services.

6. The performance of Managed Cloud Services is contingent upon you meeting your obligations and responsibilities as described in the Service Specifications and applicable Service Description. You acknowledge and agree that (i) any exception to your compliance with such obligations and responsibilities is granted on the condition that Oracle is not responsible for the resulting consequences.

7. You acknowledge and agree that if Oracle's performance of activities specified within a Service Description exceeds the timeframe set forth in the Service Description, or the Cloud Services table on the first page of this order, due to your failure to meet the obligations and responsibilities specified in the Service Description, you will be required to purchase applicable additional services from Oracle.

8. You agree to pay within 30 days of written notification any fees applicable to Your use of the Managed Cloud Services in excess of Your rights. If You do not pay, Oracle can end Your Managed Cloud Services.

### c. Services Period

The Services Period of the Managed Cloud Service shall begin on the execution of this order and shall end on the earlier of the following to occur: (i) Oracle's performance of the quantity of such service under the applicable Service Description within the timeframe set forth in the Service Description, or the Cloud Services table on the first page of this order, (ii) the end of the term specified in the Cloud Services table on the first page of this order; or (iii) the termination or expiration of the Managed Cloud Services in accordance with the Agreement or this order (the "Managed Cloud Services Period").

Any unused Managed Cloud Service remaining at the end of the applicable term shall be forfeited, and Oracle shall have no further obligation with respect to such services.

### d. Warranty and Disclaimers

The sole and exclusive warranty for a Managed Cloud Service is that Oracle warrants that the service will be provided in all material respects in accordance with the Service Level set forth in the applicable Service Description in the Oracle Managed Cloud Services Service Descriptions; if such Service Description does not contain a Service Level, the sole and exclusive warranty for such service is that Oracle warrants that the Managed Cloud Service will be provided in all material respects with the applicable Service Description.

TO THE EXTENT PERMITTED BY LAW, THIS WARRANTY IS EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING FOR HARDWARE, SYSTEMS, NETWORKS OR ENVIRONMENTS, INCLUDING WARRANTIES OR CONDITIONS OF MERCHANTABILITY, SATISFACTORY QUALITY AND FITNESS FOR A PARTICULAR PURPOSE.

ORACLE DOES NOT WARRANT THAT SERVICES WILL BE PROVIDED UNINTERRUPTED OR ERROR-FREE. YOU ACKNOWLEDGE THAT ORACLE DOES NOT CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, AND THAT THE SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS

FACILITIES. ORACLE IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS.

**e. Exclusive Remedy**

If a Managed Cloud Service provided to You for any given month during the term of such service was not in accordance with the warranty specified in the previous Section, You must provide written notice to Oracle no later than five (5) business days after the last day of that particular month. Your notice must describe the deficiency (including the Service Request number notifying Oracle of the deficiency in service), and must be submitted to outsourcingcredit_ww@oracle.com.

If a Managed Cloud Service has a Service Level set forth in the applicable Service Description, and such service was deficient, Oracle will remit, if applicable, a services fee credit for such month calculated as set forth in such Service Description. For deficiency of any other Managed Cloud Service, Oracle will remit, if applicable, a services fee credit for such month calculated at 10 percent of the monthly payment amount for the applicable Managed Cloud Service.

The credit will be in the form of a credit towards any outstanding balance for Managed Cloud Services owed to Oracle, and the remittance of such credit WILL REPRESENT YOUR EXCLUSIVE REMEDY, AND ORACLE'S SOLE LIABILITY, FOR ALL BREACHES OF ANY WARRANTY SPECIFIED IN THIS ORDER.

**f. Use of Managed Cloud Services**

Oracle may make changes or updates to the Managed Cloud Services during the Managed Cloud Services Period, including to reflect changes in technology, industry practices, and patterns of system use and reserves the right to provide services from locations, and/or through use of subcontractors, worldwide.

You acknowledge and agree that (i) if Oracle's performance of activities specified within a Service Description exceeds the timeframe set forth in the Service Description due to your failure to meet the obligations and responsibilities specified in the Service Description or this order, you will be required to purchase applicable additional services from Oracle; use of Managed Cloud Service in a manner not consistent with the Service Specifications and the Service Descriptions may adversely affect services performance and/or may result in additional fees, and (ii) if Oracle's cost of providing the service is increased because of a circumstance outside of Oracle's control, then additional fees for the additional work performed by Oracle due to such circumstances may apply.

**g. Data Privacy**

In performing Non-Cloud service offerings identified as Advanced Customer Support ("ACS") or Managed Cloud Services ("MCS") under this order, Oracle will comply with the Oracle Services Privacy Policy, and the following:

For ACS services the Oracle Consulting & Advanced Customer Services Security Practices,

For MCS services the Managed Cloud Services Delivery Policies for Oracle Public Cloud in the MCS Service Descriptions.

The Services Privacy Policy is available at http://www.oracle.com/legal/privacy/services-privacy-policy.html and is incorporated herein by reference. The Oracle Consulting & Advanced Customer Services Security Practices are available under the category "Advanced Customer Services" at http://www.oracle.com/contracts and are incorporated herein by reference. The Oracle Consulting & Advanced Customer Services Security Practices do not apply to Services identified in Your order. The Managed Cloud Services Delivery Policies for Oracle Public Cloud in the MCS Services Descriptions are available under the category "Cloud Services" at http://www.oracle.com/contracts.

During the Term, Oracle may update the policy and practices to reflect changes in, among other things, laws, regulations, rules, technology, and industry practices. Such updates will not materially reduce the level of performance, functionality, security, or availability of the Services during the Term. Unless otherwise specified in this order, Your Content may not include any sensitive or special data that imposes specific data security or data protection obligations on Oracle in addition to those specified in this order. You are responsible for any required notices, consents and/or authorizations related to Your provision of, and our processing of, Your Content (including any Services Personal Information) as part of the Services.