

ADDENDUM #1

September 9, 2025

RFP

For Enterprise Resource Planning (ERP) Software and Services

The City shall distribute all addendums (official changes, modifications, responses to questions or notices) relating to RFP for Enterprise Resource Planning (ERP) Software and Services by posting this addendum to the City's website. No oral explanation or instruction of any kind or nature whatsoever given before the award of a contract to a Vendor shall be binding. Any bid received after stated closing time will not be accepted. The following changes/clarifications have been made to the original request for proposal.

RFP clarifications and changes

1. The *ERP Software & Services RFP.pdf* and *Attachment C - ERP Software and Services - Software Requirements.xlsx*, have been updated and re-uploaded to the City website. Vendors are responsible for downloading the updated documents and submitting their proposals (including the updated Attachment C), by the proposal submittal deadline indicated in the RFP.
2. RFP clarification questions and answers should be sent to finance@cityofkaty.com.
3. For clarification purposes, proposers should submit a 20-page proposal response including the information requested in Section 4.1 of the RFP. In addition, proposers should submit Attachments A-D in the format indicated in section 4 of the RFP.

Vendor Questions and Responses

1. Question: Do you have restricted cash within your pooled cash account that is all tracked under one GL code?
Response: No.

2. Question: How are you currently creating your ACFR report?

Response: Our external auditors write the ACFR.

3. Question: How many bargaining unit/groups does the City support?

Response: Nat at this time

4. Question: Are there multiple FEINs in the organization? Or just one organization?

Response: No, one organization.

5. Question: Does RFP Response 20-page limit exclude Cover Page and TOC?

Response: Yes. The 20 page limit excludes the attachments A-D as well.

6. Question: Does the project have an anticipated Go-Live target date(s)? If a phased approach is preferred is there a tentative go-live schedule based on module or department?

Response: The City would like the responding vendors to provide an implementation timeline with anticipated go-live dates that is recommended for a successful implementation based on the scope outlined in the RFP and the experience of the vendor. The City would also like the vendor to propose a phased or 'big-bang' approach and reasoning, based on the scope outlined in the RFP and the experience of the vendor.

7. Question: Has a budget range been identified for the current project - Implementation cost, Annual cost, and number of years? If so, is it possible to share?

Response: Yes, but the City will not share at this time.

8. Question: Has the City seen any product demonstrations in the last 12 months leading up to the release of this RFP? If so, which products have you seen?

Response: No

9. Question: Could you please confirm whether vendors are expected to include hardware in their proposals, or if the City may provide/purchase hardware independently? This will help us ensure our proposal aligns fully with your expectations.

Response: Vendors should include hardware if required to support the proposed software scope. Vendors should indicate if the hardware is offered/proposed by the vendor, or if it will need to be procured by a third party vendor.

10. Question: Are credit card processing fees passed onto citizens/customers?

Response: Yes

11. Question: Is the City planning to replace Tyler Payments as part of this process?

Response: Yes, the City plans to replace Tyler payments that is currently being leveraged for Tyler Incode transactions.

12. Question: What meters/AMI vendor does the City currently have?

Response: ~85% of meters are AMI and using Sensus meters with Sensus Flexnet as the reading system (Aqua-metric vendor).

13. Question: Are there optional scope items being considered for this RFP?

Response: Yes, please see the updated scope section 2.6 in the 'ERP Software and Services RFP.pdf' for a list of required and optional scope.

14. Question: What types of payments are you currently accepting (e.g., credit card, ACH/e-check)?

Response: Credit card, cash, checks, bank draft, ACH, online payments, over the phone payments, and kiosk.

15. Question: Do you have visibility into your card mix from your merchant statements (e.g., debit vs. credit, rewards cards)?

Response: No, the city does not currently have this visibility.

16. Question: Approximately what percentage of customers are enrolled in autopay?

Response: 8%

17. Question: How many customers are currently registered in your online payment portal?

Response: 813

18. Question: Do you offer paperless billing, and what is your current enrollment rate?

Response: 25% or 26%

19. Question: What is the primary water meter vendor for the City of Katy?

Response: Aqua Metrics

20. Question: Most modern CIS solutions include a module for Mobile Field Service that is purpose built for short-cycle work which we define as service orders generated out of the CIS related to customer, meter or premise. This is typically industry best practice as opposed to using a Work Order/Asset Management application (EG. Lucity, Cityworks, etc.) for short-cycle work. Is it safe to assume that the City will consider using the CIS vendors Mobile Field Service for Service Orders in scope with the UB CIS solution?

Response: Yes

21. Question: Does the City prefer to have either/or:

- a. a centralized cashiering process where all payments are made through one software with real-time, bi-directional integration back to other software (like Tyler Energov for permitting, etc.)
- b. decentralized where each department/software records their own payments and updates the financial system?

Response:

- a. *The City intends to keep a decentralized cashiering approach for Departments that have their own Point of Sale / Payment processing software needs. The City expects to work with the selected vendor(s) to develop a detailed integration plan during the implementation that includes scoping the software that will need to integrate between the ERP and other POS software.*

22. Question: If the City would like to move to a centralized cashiering approach, can you list the applications that you would like the new cashiering application to take payments for?

Response: The City intends to keep a decentralized cashiering approach for Departments that have their own Point of Sale / Payment processing software needs.

23. Question: Would the City provide us with the total number of users, including supervisors, that will be accessing only the new Cashiering/POS module? This would be based on receiving payments for the Financial A/R system, miscellaneous payments and any users associated with the answer above. (Note that read-only users and daily departmental revenue submitters are no charge.)

Response: This is TBD and will be determined during implementation design.

24. Question: Can the City list the current POS equipment and model you would like the Cashiering solution to integrate with or would the City like additional POS equipment to be included in the RFP response (receipt printers, scanners, cash drawers, check imaging/MICR devices, encrypted credit card swipe and EMV/chip/tap-to-pay devices)?
Response: Vendors should propose the relevant hardware and software recommended to meet the scope of the solution in the RFP.
25. Question: What credit processors are the City currently using?
Response: Municipal online payments
26. Question: Would the City like the new cashiering solution to become the City's Online Customer Payment Portal? If so, what applications would the City like to take online payments for?
Response: This is TBD. Many City Departments take online payment currently.
27. Question: Would the City like the cashiering solution to create an Image Cash Letter (ICL) containing check images for deposit, and send it to your bank? If so, what bank?
Response: This is TBD.
28. Question: Does the City have a multi-check scanning process in place for recording checks and invoices in batch? If not, should this be included in the response? What is the annual volume that the City would scan using this process?
Response: Yes, include in the response.
29. Question: Does the City have scenarios where different departments/agencies need to submit end of day receipt summary information? If so, would the City like to automate that?
Response: Yes, Yes.
30. Question: For cash receipting, what are your top five issues you experience? Of those five, which is most important and why?
Response: City desires a fully automated and integrated process for all payments across the City.
31. Question: Does the city pass processing fees directly to end utility customers, or are the fees absorbed by the city?

Response: Credit card processing fees are passed to customers.

32. Question: What is the average dollar amount of a residential utility bill?

Response: \$50 (based on consumption)

33. Question: If the city absorbs credit card processing fees, could you provide a copy of the most recent month's credit card processing statement?

Response: Credit card processing fees are passed to customers. A credit card processing statement may be provided to vendors further into the evaluation process.

34. Question: Cash receipting is listed as decentralized in the proposal. Can you confirm whether native utility billing-specific cash receipting functionality within the utility billing application is sufficient, or are additional applications required to integrate with a cashiering solution?

Response: City expects the UB solution will include the cashiering/payment functionality required to take in payments for UB bills. Refer to Attachment C - software requirements for additional detail.

35. Question: How many licensed users will need access to NetSuite for Government (daily users -e.g. finance and city department heads):_____

Response: ~200

36. Question: HR/Payroll -how many W2's were issued last year? ____ How many are seasonal? ____

Response: ~265

37. Question: Page 25 states that the RFP Response should be limited to 20 pages. Will the City increase the page limit to 40 pages?

Response: No. 20 pages excludes cover pages, table of contents and attachments A-D.

38. Question: The table of contents in Attachment A includes a Proposal Signature Form and Non Collusion Affidavit, but they appear to be missing from the file. Will you provide all required forms?

Response: Vendors can provide a proposal signature in the 20-page proposal response. Vendors submitting a response with a proposal signature automatically agree to a non-

conclusion term. This term certifies the bidder has not engaged in any form of collusion, fraud, or manipulation in preparing or submitting the bid.

39. Question: Utility Billing -total number of customers _____

Response: ~9,715

40. Question: Please provide a breakdown (in quantity) of each metered or non-metered services (e.g. water, sewer, waste, etc.): **Water:** **Sewer:** **Waste:** **Drainage:**

- Are any rate tiers used for consumption? If yes, please define: (example below)
 - Commercial = Under 2,000, Over 2,000, Over 10,000
 - Residential = Up to 2,000, 2,000-10,000, Over 10,000
 - Multi-Family = Up to 2,000, 2,000-8,000, Over 8,000

Response: Water: 9,566 Sewer: 9,283. Rates can be viewed on the City's website under "UB Forms & Applications" at the following link: <https://www.cityofkaty.com/i-want-to/pay/water-bill>

41. Question: Staffing & Change Management:

- a. What internal resourcing does the City plan to allocate to implementation and change management?
- b. Are you open to flexible staffing models or phased rollouts?

Response:

- a. *The City is dedicated to providing resources for the implementation, however, the City would like the responding vendors to provide recommended City implementation and change management resources in Attachment D.*
- b. *The City would like the responding vendors to provide an implementation timeline with anticipated go-live dates that is recommended for a successful implementation based on the scope outlined in the RFP and the experience of the vendor. The City would also like the vendor to propose a phased or 'big-bang' approach and reasoning, based on the scope outlined in the RFP and the experience of the vendor. The City is open to different options.*

42. Question: Will there be time at any point during the process for deep discovery to develop a clear and contextual understanding of the functional requirements, especially relative to desired outcomes/project goals?

Response: Yes.

43. **Question:** Has the City viewed any demos of product/solutions prior to the RFP, and if so which vendors?

Response: No.

44. **Question:** Is the project budget publicly available?

Response: No.

45. **Question:** Will Plante Moran run the project management office for the overall implementation, or do you wish the successful vendor to do so? This is especially important if you select different vendor solutions.

Response: This is to be determined.

46. **Question:** Does the City have a go-live date in mind.

Response: The City would like the responding vendors to provide an implementation timeline with anticipated go-live dates that is recommended for a successful implementation based on the scope outlined in the RFP and the experience of the vendor. The City would also like the vendor to propose a phased or 'big-bang' approach and reasoning, based on the scope outlined in the RFP and the experience of the vendor.

47. **Question:** How much historical data in terms of months/years needs to be converted/migrated by functional area.

Response: Refer to the data conversion tab in Attachment B pricing forms for a list of data conversions.

48. **Question:** Are there specific areas of process improvement that are of priority for efficiency gains other than what Andrew addressed?

Response: The City believes there will efficiency gains in many or all processes through this ERP modernization effort. The City expects automation, standardization and efficiency for procurement and AP, as well as HR/payroll processes gaining efficiency with integration. The City also expects efficiency in reporting and access to data within the system vs. having to create/run custom reports in the system for that information.

49. **Question:** Is the City willing to share the gap analysis and future state process and policy recommendations of Plante Moran?

Response: The City will share this information with the selected vendor.

50. Question: Current provider – what’s working? What isn’t working?

Response: The City will share this information with the selected vendor.

51. Question: Describe the process to collect and process your employee’s hours. How are managers involved? (paper, clock, web, mobile). Please provide copy of time card.

Response: The City will share this information with the selected vendor.

52. Question: How does time information get to payroll?

Response: The City will share this information with the selected vendor.

53. Question: Do you use schedules or have shifts? (Do you schedule based on seniority? Have a need to swap shifts?)

Response: The City will share this information with the selected vendor.

54. Question: Is OT a concern for you? Do you have an effective method to control OT costs?

Response: The City will share this information with the selected vendor.

55. Question: Are you tracking hours by department, project, location, etc.?

Response: The City will share this information with the selected vendor.

56. Question: Do employees have different rates of pay based on department or job worked? Could employees work more than one job in a day or pay period?

Response: The City will share this information with the selected vendor.

57. Question: Do you have automatic deductions for lunch or breaks throughout the day?

Response: The City will share this information with the selected vendor.

58. Question: What type of rounding rules do you have? (Ex: Employee A has a 15-minute rounding rule)

Response: The City will share this information with the selected vendor.

59. Question: Do you have any shift differentials? (Ex. Shift A gets paid more than Shift B)

Response: The City will share this information with the selected vendor.

60. Question: Do your employees work more than 24 hours in a single shift/day? (Ex: hospitals – Why? Yes = Enhanced Time)

Response: The City will share this information with the selected vendor.

61. Question: Does anyone approve the time card? Do you need multiple levels of approval?

Response: The City will share this information with the selected vendor.

62. Question: Do you have an attendance policy?

Response: The City will share this information with the selected vendor.

63. Question: Do you need FMLA tracking and administration?

Response: The City will share this information with the selected vendor.

64. Question: Do you offer paid time off? (PTO, Vacation, sick?) to your employees? Please provide copy of PTO policy

Response: The City will share this information with the selected vendor.

65. Question: Are the accruals awarded by pay period or by the amount of hours an employee works?

Response: The City will share this information with the selected vendor.

66. Question: Describe the employee/manager experience to request and approve time off

Response: The City will share this information with the selected vendor.

67. Question: Can employees see their balances?

Response: The City will share this information with the selected vendor.

68. Question: How are you doing the grant/fund allocations for your salaried employees today?

Response: The City will share this information with the selected vendor.

69. Question: Will all salaried employees be entering worked and non-worked time in time & attendance system?

Response: The City will share this information with the selected vendor.

70. **Question:** Do you have hourly employees that will need their Overtime or PTO allocated to grants/funds?

Response: The City will share this information with the selected vendor.

71. **Question:** What do you want passed to payroll?

- Allocated salary earnings with hours
- Hours with Effective Rate that varies based on hours worked
- Hours adjusted to meet Standard Hours to pay at employee standard hourly rate (based on salary)

Response: The City will share this information with the selected vendor.

72. **Question:** What is your pay cycle(s)? Do you anticipate changing pay cycles in future?

Response: The City will share this information with the selected vendor.

73. **Question:** Are there any salaried employees that are treated differently or that the allocation should not apply to?

Response: The City will share this information with the selected vendor.

74. **Question:** Do you have any fixed allocations or secondary level allocations?

Response: The City will share this information with the selected vendor.

75. **Question:** What do you want passed to payroll:

- Same percentages as worked time?
- To a fixed account?
- Other?

Response: The City will share this information with the selected vendor.

76. **Question:** What other types of employees do you have? (Hourly, Salary Exempt, Salary Non-Exempt)

Response: The City will share this information with the selected vendor.

77. **Question:** For hourly or salary non-exempt employees, since their worked time will be allocated based on time entered/clocked in on the time system, what allocation logic would you want applied:

- Non-worked time/PTO (e.g., Sick, Vacation, etc.)
 - Same percentages as worked time?
 - To a fixed account?
 - Other?
- Overtime/Doubletime?

Response: The City will share this information with the selected vendor.

78. Question: How many prevailing wage projects do you typically work on at a given time?

Response: The City will share this information with the selected vendor.

79. Question: Do you work on Federal projects?

- (if so, how many at a given time)?

Response: The City will share this information with the selected vendor.

80. Question: Do you work on State projects? All state

- a. (if so, how many at a given time)?

Response: The City will share this information with the selected vendor.

81. Question: How many employees typically work on a prevailing wage project?

Response: The City will share this information with the selected vendor.

82. Question: Do your employee's work on a mix of prevailing and non-prevailing wage jobs in a given day/week?

Response: The City will share this information with the selected vendor.

83. Question: Do you have employees that can work on multiple, different prevailing wage jobs during the day/week?

Response: The City will share this information with the selected vendor.

84. Question: Do/can the employees work in different jobs/classes (e.g. work as a welder on one prevailing wage project and then transfer to be a Project Manager on a different or the same project)?

Response: The City will share this information with the selected vendor.

85. **Question:** Do you pay the higher of the prevailing wage rate vs. the employee's base rate? Or always pay the Prevailing Wage rate?

Response: The City will share this information with the selected vendor.

86. **Question:** Do you reduce the contract Fringe from employer paid benefits? (e.g. Jane Smith is paid \$4.50/hr in benefits by the company. She works on a project that pays \$5.50/hr. You reduce the company paid amount so Jane paid an additional \$1.00/hr (\$5.50-4.50) for that work).?

Response: The City will share this information with the selected vendor.

87. **Question:** In addition to Fed and State(s) above, do you provide reports to LCP Tracker? Elation? eMars? Other?

Response: The City will share this information with the selected vendor.

88. **Question:** What modules/services are you utilizing with UKG Ready and iSolved? Are you looking to replace any of those services? What interface options are you looking for?

Response: Refer to the RFP for this information.

89. **Question:** Line item 23 on Payroll Requirements tab "System has the ability to compute employee and employer contribution amounts based on flat dollar, percent of total contribution, percent of earnings, or a formula" Are you referring to Union Deductions

Response: The City does not have any unions deductions.

90. **Question:** Line item 40 on the Payroll Requirements tab "System has the ability to interface with a third party vendor who handles workers compensation claims and payments." Can you please explain?

Response: No further information to provide at this time.

91. **Question:** Line item 76 on the Payroll Requirements tab "System supports detailed payroll budgeting including modeling, benefits budgeting, etc." Can you provide additional information?

Response: No further information to provide at this time.

92. **Question:** Line item 83 on the Payroll Requirements tab “System automatically calculates accrued payroll and leave balances for inclusion in interim and annual financial reports. Can you provide additional information?”

Response: No further information to provide at this time.