

ADDENDUM NO. 1

Date: February 29, 2024
From: City of Grand Junction Purchasing Division
To: All Offerors
RE: Cloud-Based Warehouse Inventory Management System, RFP-5374-24-KF

Offerors responding to the above-referenced solicitation are hereby instructed requirements have been clarified, modified, superseded, and supplemented as to this date as hereinafter described.

Please make note of the following clarifications:

1. **Q:** Concerning solicitation section 4.4.2.4, implementation, and import functionality, what specific requirements or objectives is the City seeking to fulfill with this aspect of the project?

A: The City is seeking a solution with the capability to seamlessly import the existing Stores warehouse inventory into the new system.

2. **Q:** Are products currently barcoded?

A: No. As stated in the solicitation section 4.1. Background, the existing system is labor-intensive, requiring manual effort to receive inventory items and update inventory items. The City is seeking a solution that offers barcoding as an opportunity to streamline and enhance inventory management processes.

3. **Q:** Is there a target budget for the solution?

A: At this time, the City is not disclosing the specific budget allocation for this project.

4. **Q:** Should the proposed solution include a transportation module, that optimizes activities related to inventory movement, shipping labels, tracking, and monitoring items sent from the warehouse to the intended destination?

A: The City Stores warehouse is a stand-alone operation that provides items for internal departments. Deliveries occur every week by the warehouse specialist. On a rare occasion, the City will ship items to external clients/vendors (USPS, UPS, FedEx).

5. **Q:** How is the process of order creation/requesting, preparation/filling, and pickup/delivery managed within the system?

A: Currently, orders are primarily facilitated electronically through the Tyler Technologies New World (NWS) system, with an option for employees to place requests in person at the issuing counter. In the current process, once an order is placed electronically, our one full-time Warehouse Specialist prints the order, retrieves the requested items, and manually updates records in the system. Additionally, this employee conducts weekly deliveries of items to department locations across the city.

6. **Q:** Compliance and Hosting Requirements:

- Since the data is not Personally Identifiable Information (PII), is there still a requirement for the solution to be SOC2 compliant and hosted on a government cloud (Gov Cloud)?
- Are there any other compliance standards or security requirements that the solution needs to meet?

A: There is no requirement to be hosted in a SOC2-compliant data center or a “Gov Cloud”. Our only hosting requirement is that the data center or cloud infrastructure be based in the US, rather than a foreign country. Other related requirements are already listed in the RFP.

7. **Q:** Clarification on 4.4.2.5 and 4.4.2.6:

- Can you provide more details on what is covered in sections 4.4.2.5 and 4.4.2.6 of your requirements documents? Understanding these sections will help in pricing the project accurately.
- For inventory reconciliation, budget allocation, and charging to a P-Card in Oracle, what are the specific expectations and requirements?
- What other third-party systems will the new IMS need to integrate with? Are there any specific integration requirements or protocols that need to be followed?

A: Clarification on 4.4.2.5: The proposed system should be able to integrate with Oracle Fusion via Oracle Integration Cloud, an API (Oracle ADF Services), or a file-based transfer. Integrations with suppliers' systems are a plus.

Clarification on 4.4.2.6: The proposed system should support Okta SSO, preferably via saml2.

Inventory reconciliation: Ideally, real-time inventory tracking, automated reconciliation processes to match physical stock with system records, and discrepancy reporting for timely corrections.

Budget allocation: Ideally, allocating budgets to different departments or projects within Oracle Fusion, tracking expenditures against allocated budgets.

Charging to a P-card: Charging to a P-card does not need to be supported.

Third-party integrations: Oracle Fusion and Okta are the two main systems, and supplier systems would be a plus.

8. **Q:** Current Process for Placing an Order:

- How are orders currently placed from a warehouse or location? Is it through a manual process, an electronic form, or through the New World Inventory Management System?
- Are there any specific steps or requirements that need to be followed when placing an order?

A: See the answer to question 5.

9. **Q:** Approval Process:

- Is there an approval process required for placing orders? If so, who is responsible for approving the orders, and what criteria are used for approval?
- How is the approval process documented and tracked?

A: When a requestor submits a request, the initial approval is handled by the admin, followed by a secondary approval by the warehouse specialist. Requests made in person at the walk-up window are processed manually by hard copy form by the Warehouse Specialist, and then processed manually in the system. Subsequently, transaction details are sent via email to the department manager for general ledger reconciliation. These processes may change with the implementation of the new software.

10. **Q:** Implementation and Assistance:

- Is there a need for assistance with barcoding and labeling the items and locations?
- Are there any specific standards or formats for barcoding and labeling that need to be followed?

A: This may be desired, at the City's discretion, and if so, would be treated as an Add Alternate option. Vendors should note this as an option and provide separate pricing.

11. **Q:** How many levels of inventory tracking (units of issue/receipt) do you expect to track? For example - do you want to track pallets of an item, that can be broken into boxes, that can be broken into individual items?

A: We would anticipate only needing to track specific units of measure (each, roll, box, case) but not all levels for each item. Please refer to Appendix 1 – 2023 Year-End Inventory Report for current inventory as a reference.

12. **Q:** How many vendors/suppliers do you currently utilize?

A: In FY 2023, 23 different vendors/suppliers were utilized.

13. **Q:** How many transactions (receiving and issuing) does the city estimate occur each year on average?

A: Receiving: 225 | Issuing: 5,650

14. **Q:** What level of RFID integration is desired? If a solution can run the full spectrum from all barcodes to all RFID, is there a level you wish to see proposed?

A: Currently, the City doesn't have a predefined level of RFID integration. Our existing system is outdated, and we require an enhanced solution for the current operations, which are relatively small-scale. Ideally, we're looking for a system that seamlessly integrates with Oracle Fusion, if feasible, and accommodates potential future growth. Therefore, we're open to exploring options that optimize efficiency and scalability without being overly complex for our current needs.

15. **Q:** If a bidder has a barcode-based solution, an RFID-based solution, and a hybrid-based solution - should they submit a proposal for each? How would you like them to annotate that they are alternate proposals based on technical solutions?

A: Vendors may submit alternate proposals, with pricing for each alternate, labeled as such for each submitted.

16. **Q:** Are there any cloud security requirements for the city?

A: See the answer to question 6.

17. **Q:** What is the planned go-live date for Oracle Fusion?

A: The City's target go-live date for Oracle Fusion is December 22, 2024.

18. **Q:** Do you anticipate the need to integrate with the existing New World requisition system while you work to have the Oracle Fusion system implemented?

A: There may need to be some way for the City to get data from the new inventory management system to New World until the go-live of Oracle Fusion, but the specifics of that integration will be determined based on several elements (e.g., go-live of new inventory management system, integration functionality, reporting functionality, etc.)

19. **Q:** Will the successful vendor have access to the Oracle Fusion integration team (as part of THEIR contract) in order to assist in integration?

A: Depending on the integration support necessary, City of Grand Junction technical support or Sierra-Cedar technical support, the City's Oracle Fusion implementation partner, will be available to assist in integration.

20. **Q:** Why is the City looking for a new inventory management solution?

A: As stated in Section 4.1, the City's current inventory management solution is housed in the current ERP, which will be replaced with Oracle Fusion at the end of this year.

21. **Q:** 4.4.2.1 "requests for both long and short-term storage." - does the current system accommodate the storage of items in the inventory for the short & long term or is it related to perishable/fast-sold goods and non-perishable/seasonal products?

A: The City's Stores Warehouse serves two primary functions. Stores are for inventory that is received into the system, then issued out to various departments/divisions, and charged to GL/Project accounts accordingly. The Warehouse is utilized for the storage and/or disposal of City surplus items. Surplus items are not currently tracked in our inventory system. However, if there is a viable solution, we are open to it.

22. **Q:** 4.4.2.5 "Oracle Fusion for enhanced financial operations and procurement management." - Does this mean to send order transactional details (financials) and fetch purchase orders/vendor order details from Oracle Fusion system?

A: Ideally, the systems would have 2-way communication with Oracle Fusion for requisitions/purchase orders, transactional details, etc. However, the City realizes this may not be possible and would need to understand what reports would be available to allow for these processes manually.

23. **Q:** “Integration with suppliers’ systems for seamless data exchange” – What kind of information we need to fetch/send to the supplier’s systems as part of this integration? How many different supplier systems are there?

A: Ideally, Order Number, Order Date, PO Number, Inventory Description, Quantity Ordered, Unit Price, and Total Order Amount. Approximately 23 vendors.

24. **Q:** 4.4.2.6 “Automate cost allocation processes” – Does the client follow any cost allocation process right now? example: considering the storage duration - long/short, size of the product, last 3 months price?

A: The City does not currently follow a cost allocation process.

25. **Q:** 4.4.2.13 “functionalities for efficiently managing the receipt of deliveries” - Can you provide an example as per your process.

A: Currently, deliveries (incoming products to Stores) are received manually, and then issued manually. Any automation or improved functionality to this process is welcome.

26. **Q:** 4.4.2.14 “manages the reverse logistics process” - Is there any preferred shipping partner for the client? In the current system how reverse logistics are being tracked.

A: The City primarily utilizes USPS, UPS, and FedEx for its (rare) shipping needs. Any reverse logistics for return products (also very rare) processes are currently manual. Any automation or improved functionality to this process is welcome.

27. **Q:** 4.4.2.17 “Cloud-Based Collaboration: facilitate collaboration among end users and other stakeholders. Support real-time updates and communications with the system and the ability for end users to access reporting functionality.” – Does the client mean the communication between the customer and the warehouse staff through a chat messaging system?

A: The intent is not to facilitate direct communication between the customer and warehouse staff through a chat messaging system. Instead, the focus is on providing end users with the ability to access real-time updates and reporting functionality within the system. This includes visibility into stock levels, spending by the general ledger (G/L) to date, order usage history, order status, *etc.*

28. **Q:** Are you looking for any COTS Solution or open to bespoke solution?

A: Given the scale of the current operation at the Stores warehouse and considering the City's specific needs and potential benefits, a COTS solution with the capability for potential modifications would be more aligned with our requirements.

29. **Q:** Are they open to Onsite - Offshore Model (USA-India) or only Onsite-Offsite Model (USA only)?
- A:** USA only.
30. **Q:** You are on Oracle Integration Cloud. Do you want us to use the same or open to other Cloud Solutions like Azure or AWS?
- A:** Proposed cloud solutions do not need to be limited to Oracle.
31. **Q:** Do you want us to implement Oracle EBS for Warehouse Inventory Management System or are you open to Microsoft D365 F&O ERP as well?
- A:** Solutions do not need to be limited to Oracle EBS.
32. **Q:** You mentioned about Data Migration? Can we check the size of the Data to be migrated and from how many sources?
- A:** This will be shared with the awarded vendor.
33. **Q:** In terms of Support, can you provide current statistics in terms of L1, L2, L3 Tickets and how many issues per month?
- A:** The current Stores warehouse system is maintained and supported by the City's internal IT division, with a single dedicated IT support contact. Due to their familiarity with the product, IT has a limited history of escalating tickets to the provider. Therefore, there are no available statistics for L1, L2, or L3 categories over the past five or more years.
34. **Q:** For Maintenance and Support, do you expect Onsite Support or open to Offshore/remote Support as well?
- A:** We do not anticipate the need for Onsite Support.
35. **Q:** Do we need to Support during Office hours only or need support after office hours and on public holidays/weekends as well?
- A:** Office hours/weekdays only.
36. **Q:** Are you looking for any special Certifications or accreditations as mandatory criteria?
- A:** Industry Certifications or accreditations are desired. We expect the Offeror to follow nationally recognized industry professional best practice standards.
37. **Q:** Will you consider our proposal if we do not have relevant experience with Federal / State Departments or Commercial enterprises of implementing Warehouse Inventory Management System?

A: It is desired, but not required, that an Offeror has relevant experience with government stores and warehouse operations (preferably of similar size and scope). Not necessarily at the federal or state level.

The original solicitation for the project noted above is amended as noted.

All other conditions of the subject remain the same.

Respectfully,

A handwritten signature in blue ink, appearing to read 'K. Franklin', written in a cursive style.

Kathleen Franklin, Senior Buyer
City of Grand Junction, Colorado