Final Evaluation of Responses to the City of Scottsbluff RFP for an Electronic Data Processing System

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FINAL
EVALUATION OF RESPONSES
to the
City of Scottsbluff RFP
for an
Electronic Data Processing System

Prepared by
Donald F. Norris

CAUR
Center for Applied Urban Research
University of Nebraska at Omaha

March 6, 1984

The University of Nebraska—An Equal Opportunity/Affirmative Action Educational Institution
Anacomp

The Anacomp proposal is summarized below:

Hardware

Prime Information 2250 based 32-bit system
2MB Memory
158MB Disk Storage
Primos Operating System
1600 BPI Tape Drive
300 LPM Printer
4 Dot Matrix Printers (will need 2 WP Printers)
2 Receipt Printers
Modem
Surge Protector
Other required software elements

Software

Governmental Accounting and Management System
Utility Billing System
Payroll/Personnel System
Special Assessments
Parking Tickets
Motor Vehicle Registration
Word Processing

Cost Summary

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware w/OS</td>
<td>$ 89,352</td>
</tr>
<tr>
<td>Software</td>
<td>76,500</td>
</tr>
<tr>
<td>Training</td>
<td>3,435</td>
</tr>
<tr>
<td>Other</td>
<td>2,400</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$171,687</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintenance (monthly)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware</td>
<td>$ 802</td>
</tr>
<tr>
<td>Software</td>
<td>291</td>
</tr>
<tr>
<td>Other</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total per month</strong></td>
<td><strong>$ 1,123</strong></td>
</tr>
<tr>
<td><strong>Total per year</strong></td>
<td><strong>$13,476</strong></td>
</tr>
</tbody>
</table>

First year cost $184,290
Five-year cost 238,194
Annual average cost 47,639
Monthly average cost 3,970

1 Anacomp provided estimates and not firm costs for these systems.
2 One person, Indianapolis, three system training courses.
3 Extended warranty at 3% of purchase price plus $100 per month for Muse.
Additional Software/Capabilities

Additional software that may be of interest to Scottsbluff includes:
  - Fixed assets
  - Inventory control
  - Law enforcement
  - Fleet management
  - Engineering applications (Prime)

Additional capabilities of interest include:
  - Hotline software support
  - Interface with various microcomputers

Customer References

Four governmental installations and two consultants were contacted for evaluations of Anacomp local government installations. Three of the local governments provided highly favorable reviews. The fourth cited problems sufficient that consideration is currently being given to terminating the contract and seeking relief through Anacomp's performance bond. The consultants provided a similar evaluation; that is, some very solid installations and some with which the vendor has had problems. No one had negative comments regarding Prime hardware.

Vendor Organizations

Anacomp has been plagued with financial difficulties owing in part to its failure to supply contracted banking related software on schedule. These difficulties included defaulting on $45 million in loans, and losses of over $62 million in the last three operating quarters. The loans were renegotiated in February 1984, the banking software is being delivered, and Anacomp predicts a turn-around in its profit picture this year. Apparently the company's Government Services Division is solid and profitable, but it is a division of Anacomp, not a separate company.

Recommendation

On its face, this is a very good proposal that should be selected for final consideration. However, the vendor's financial difficulties plus spotty client references suggest potential problems should it be selected. If Scottsbluff decides to select this vendor, certain guarantees should be secured. These include a performance bond, a long-term software support agreement, and the escrow of all software modules.
The software proposed by Anacomp and Northwest Systems is superior to that proposed by NCR. This conclusion is based on the demonstrations by the three selected vendors and on subsequent discussion with NCR representatives. For example, NCR's proposed inquiry language will not reach into all files, and NCR's "Word-Wise" word processing package is more of a text editor than a full word processing package. Additionally, NCR representatives initially proposed to migrate Scottsbluff's current software (rather than install new programming), although subsequent communications from the vendor revealed a change in the bid element to include all new software. Finally, in correspondence with the consultant NCR has endeavored to make changes in its proposal in order to correct software weaknesses. By and large, these have involved recommending third-party software packages that have not been reviewed by the consultant or viewed by the city.

Recommendation: Because of the weaknesses of NCR's proposed software, this proposal should not be selected for final consideration.
First year cost
$182,409
Five-year cost
240,489
Annual average
48,098
Monthly average
4,008

1 Cost shown on Figure 8 for this software plus one additional package was $57,900.

2 Does not include travel associated with training on Data General's CEO package.

3 Cost shown on Figure 8 was $407 per month. Also, there is no charge for the first year's maintenance.

Additional Software/Capabilities

Additional programming available from NWS that may be of interest to Scottsbluff includes:

Fixed Assets/Depreciation
Cash Planning and Management (1984)
Equipment Usage (1984)
Posse Plus

Additional capabilities of interest include:

Hotline software support
Four-hour hardware maintenance response
Interface with various microcomputers

Customer references

Four organizations were contacted (six persons), and all provided positive reviews of NWS software, DG hardware, and NWS personnel.

Vendor Organization

This is a small company that has only recently entered the OEM business. NWS lost money in 1982 but made a profit in 1983. It is expanding its product line to include microcomputers and is expanding geographically beyond Colorado. A caution regarding company size is in order, especially should one or more key persons leave the firm or should NWS win several bids in the next six to 18 months.

Recommendation: This is a very good proposal that should be selected for final consideration.
Northwest Systems, Ltd.

The Northwest Systems, Ltd. proposal is summarized below:

Hardware

Data General MV/4000 based 32-bit system
2MB Memory
147MB Disk Storage
NWS Operating System
DG CEO Package (includes Word Processing)
1600 BPI Tape Drive
300 LPM Printer
2 55 CPS WP Printers
2 160 CPS Dot Matrix Printers
14 CRT's
3 Modems
Surge Protectors
Other required hardware elements

Software

General Ledger (includes special assessments)
Purchase Order/Encumbrance
Accounts Payable
Utility Billing
Payroll/Personnel
Budget Forecasting
Super Comp
Motor Vehicle Registration
Parking Ticket Collections

Cost Summary

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<tr>
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<th>Cost</th>
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<tbody>
<tr>
<td>Hardware w/ OS</td>
<td>$111,135</td>
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<tr>
<td>Software1</td>
<td>53,450</td>
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<tr>
<td>Training2</td>
<td>3,900</td>
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<tr>
<td>Data/File Conversion</td>
<td>2,500</td>
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<tr>
<td>Supplies (est.)</td>
<td>1,500</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$172,485</strong></td>
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Maintenance (Monthly)

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Hardware</td>
<td>$827</td>
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<td>Application Software3</td>
<td>383</td>
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<tr>
<td><strong>Total per month</strong></td>
<td><strong>1,210</strong></td>
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<tr>
<td><strong>Total per year</strong></td>
<td><strong>$14,520</strong></td>
</tr>
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