



## Legislation Text

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**File #:** 17-265, **Version:** 1

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### **AUTHORIZATION TO ENTER INTO AMENDMENT NO. ONE TO THE CONTRACT WITH BERRY DUNN MCNEIL & PARKER, LLC, FOR ENTERPRISE RESOURCE PLANNING (ERP) SELECTION AND IMPLEMENTATION CONSULTING SERVICES**

Staff Contact: Vicki Rios, Director, Budget and Finance

#### **Purpose and Recommended Action**

This is a request for the City Council to authorize the City Manager to enter into Amendment No. One to contract C-10993, an agreement with Berry Dunn McNeil & Parker, LLC (Berry Dunn), for ERP selection and implementation consulting services. The amendment extends the contract for a one-year period through June 27, 2018 and increases the not-to-exceed amount of the contract by \$535,000 from \$150,000 to \$685,000.

#### **Background**

Since 1995, the city has been using PeopleSoft's Human Capital Management (HCM) and Supply Chain Management (SCM) Financials ERP solutions. In the HCM system, the city has implemented the Core Human Resources, Payroll for North America and Time and Labor modules. In the PeopleSoft SCM/Financials, the city has implemented Purchasing, Accounts Payable and General Ledger. The city is considering replacing PeopleSoft with a software solution that is mid-range in terms of complexity (Tier 2), less demanding to implement and maintain, and smaller in size but robust and agile enough to fit the city's needs.

On January 2016, the city issued a request for proposals (RFP) for a consultant to provide services related to the procurement of a new ERP system and, optionally, to manage the implementation of the resulting ERP application. Berry Dunn was selected as the top vendor for these services.

On November 2016, the city issued an RFP for ERP software and implementation services to replace PeopleSoft. Tyler Technologies (Tyler) Munis was selected as the top ERP vendor. Munis is used by many similar organizations nationwide and several local cities in the Phoenix area.

#### **Analysis**

Berry Dunn is a consulting and certified public accounting firm with extensive experience in providing project management consulting services for enterprise-wide implementation projects. The firm's government consulting group has been providing management and information technology consulting services to clients in local government since 1986. In the last five years, Berry Dunn has provided Tyler Munis project management implementation services to the City of Surprise, Arizona; Washtenaw County, Michigan; City of Sioux Falls, South Dakota; City of Mesquite, Texas; and City of Boulder, Colorado. The proposed team members have implemented multiple public sector ERP systems and are certified Project Management Professionals (PMP).

Berry Dunn's services include developing project initiation documents; conducting stakeholder meetings; leading weekly project team meetings; verifying that the ERP vendor deliverables are met; preparing monthly project status reports; conducting on-site project management activities; assisting in developing test scripts and managing testing activities; assisting the city in configuration of the software; documenting processes as they are developed; and developing and managing training activities.

Berry Dunn's experience in implementing this software in other cities will be key to keeping the project on schedule and within budget. As project manager, they will assist the city in making decisions related to best practices, software optimization, and business process improvement. Without these services, the implementation could take longer and the software may not be implemented in the most efficient and effective manner.

### **Previous Related Council Action**

On May 2, 2017 staff provided the City Council with follow-up information on the ERP project during the Budget Workshop.

On April 18, 2017, staff provided the City Council with additional information on the Enterprise Resource Planning (ERP) system selection project.

On March 21, 2017 staff provided the City Council with an update on the Enterprise Resource Planning (ERP) system selection project.

On June 28, 2016 Council approved contract C-10993 with Berry Dunn McNeil & Parker, LLC (Berry Dunn), for ERP selection and implementation consulting services.

### **Budget and Financial Impacts**

The estimated cost of the implementation project management consulting services is \$535,000. The cost of the implementation project management consulting services will be allocated to the General Fund, Transportation, Water and Sewer, Landfill, and Sanitation.

| <b>Cost</b>      | <b>Fund-Department-Account</b>                           |
|------------------|--|
| <b>\$535,000</b> | <b>2593-72000-518200, Professional &amp; Contractual</b> |

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?