Enterprise Resource Planning (ERP) Procurement & Implementation

Background

- Existing solution, Pentamation, purchased in 1997
- Includes financials, human resources, payroll, community development and utility billing
- Updated several times over the last 20+ years
- System is dated, not user friendly, and doesn't comply with current state/federal reporting standards
- Expected cost to purchase and implement replacement is $1.5M
- $1.5M already programed into CIP budget for this project, funded by American Rescue Plan Act of 2021 (H.R. 1319)

Analysis

- ERP procurement & implementations are very complex
- Bringing in a specialist to assist ensures staff identifies and selects the best solution at the most competitive price in a timely manner
- SDI Presence LLC specializes in government ERP procurement and implementation
- 20+ years experience with over 200 public sector agencies

Proposal

- Procurement of new ERP system
- 5 phases – Initiate project, define requirements, prepare and release RFP, evaluate and select solution, negotiate and purchase solution
- Procurement project expected to take 30 weeks
- Total of 454 hours to complete, at $185 per hour, $83,990

Proposal – Optional

- Implementation of new ERP system
- Details and formal proposal for implementation to be developed after, and determined by solution purchased
- Implementation project expected to take 2 years, 1 year for financials and 1 year for HR/payroll
- Total of 2080 hours to complete, at $185 per hour, $384,800

Recommendation

Adopt a Resolution awarding a Professional Services Agreement to SDI Presence LLC of Los Angeles, CA for development of a Request for Proposals (RFP) for the procurement and implementation of an Enterprise Resource Planning (ERP) and Human Resource/Payroll software platform in the amount of $83,990 plus $10,000 contingency for procurement services and an option for implementation support not to exceed $384,800, with the finding that it is in the best interest of the City