



Legislation Text

File #: 24-332, **Version:** 1

Adopt a Resolution to Approve and Authorize the City Manager to Enter into Master Services Agreements with Workday, Inc, Cognizant Technology Solutions U.S. Corporation, Robert Half Inc., and Can/Am Technologies Inc. for the implementation of an Enterprise Resource Planning (ERP) solution and 10-year software subscriptions/renewals in the Amount of \$8,144,520 and to Authorize Individual Amendments Up to 10% (or \$814,452) of the Original Agreements

SUMMARY AND RECOMMENDATIONS

Adopt a Resolution to Approve and Authorize the City Manager to Enter into Master Services Agreements with Workday, Inc, Cognizant Technology Solutions U.S. Corporation, Robert Half Inc. and Can/Am Technologies for the implementation of an Enterprise Resource Planning (ERP) solution and 10-year software subscriptions in the Amount of \$8,144,520 and to Authorize Individual Amendments Up to 10% (or \$814,452) of the Original Agreements.

BACKGROUND

The overall goal of this project is to take advantage of the newest technology and harness efficiencies by reviewing business processes or implementing technology to enhance existing business processes performed by City departments. The City is planning to replace its aging finance and human resources software systems with a new integrated ERP system to support core processes. In doing so, the City seeks to address several challenges in the current environment, and gain future efficiencies, including, but not limited to:

- Enhance operational effectiveness by making more timely, accurate, and complete information available to citizens, and other City personnel
- Utilize information technology to improve decision-making and service to the community
- Improve internal and external communications using information technology
- Refine business processes based on best practices
- Enhance features and functionality to support increased automation and operational efficiencies by streamlining use of systems
- Increase productivity by eliminating redundancy and unnecessary tasks

Primary Challenges in the Current Environment:

- The City's primary ERP system, "Eden," is over twenty years old and is being phased out by its vendor, Tyler Technologies. In recent years, enhancements were limited strictly to compliance updates for employment and tax laws, neglecting broader functional improvements.
- The current ERP system requires significant investment in hardware and infrastructure. The infrequency of updates and upgrades poses increased cybersecurity risks, compromising the

safety and efficiency of City operations.

- The reporting capabilities of the existing system are limited and not easily customized for reports and queries.
- The current system does not provide the ability to easily customize reports or search for data using needed data fields. It lacks key reporting capabilities, making it necessary for staff to manually track most information outside of the system in MS Excel spreadsheets.
- There are few integration points between Tyler Eden and other systems currently in use. There is a heavy reliance on paper and/or web forms for routing, approvals, and information.
- Many current workflows are manual processes. The City has many instances where workflows are completed outside the system with manual efforts. This includes manually directed emails, fillable PDFs through shared folders and/or manually directed emails, or paper forms.
- There is no project accounting module. This requires expenditures to be tracked separately with no ability to charge benefits to the appropriate accounts during the payroll process.
- The scheduling functionality is not robust enough to be utilized by all City departments.
- The current environment does not have a document repository. There are many instances of inefficient document management. Many files are stored onsite in file cabinets that regularly need to be accessed.
- Duplication and manual entry are causing business inefficiencies. The lack of integration between systems results in staff entering information in multiple systems (i.e., entering data into the recruiting system followed by an entry in the Eden system).

Analysis

City staff collaborated with the City's consulting partner BerryDunn to identify current and future needs, including over 3,000 Functional and Technical requirements across all functional areas. This staff report and request for Council action marks the culmination of two years of exhaustive work by City staff including planning, issuance of a Request For Proposals (RFP), demonstrations, discovery interviews with other city and county governments that implemented similar systems, three rounds of evaluation, and careful negotiation.

The City received six proposal responses from CentralSquare, Collaborative Solutions (Cognizant/Workday), Forsys (Oracle), Graviton (Oracle), NetSuite for Government, and Tyler Technologies. The City used consensus scoring for each round of scoring

- Round 1 scoring: Technical Proposal to shortlist for demonstration
- Round 2 scoring: Demonstrations
- Round 3 scoring: Reference Checks and Cost
- Best and Final Offer

The selection process consisted of staff from various departments including Finance, Human Resources, Information Technology, the CMO's office, and Engineering. HR and Finance collaborated closely with IT to evaluate and select the most suitable vendor for the City's needs.

Staff recommends Workday as the ERP software solution and recommends Cognizant, Robert Half, and Teller as the preferred vendors for the upcoming ERP implementation. Contracts were negotiated, encompassing the following components:

- Confirmed scope and approach
- Realistic Timeline
- Finalized contracts with Workday and Cognizant
- Teller contract in progress
- Robert Half contract in progress

Legal Analysis

The City Attorney’s office reviewed and approved all of the Master Services Agreements, attachments to the same, and SOWs as to form.

Financial Impacts

The total **ten-year** cost for software subscriptions and implementation services is \$8,144,520 plus ten percent contingency. The Fiscal Year 2024-2025 cost will be \$2,121,266 and will be funded with a carryover request that staff will bring to City Council to move a Fiscal Year 2023-2024 appropriation for this project into Fiscal Year 2024-2025 (Account 688-13-133), which will not impact General Fund balance. Costs for subsequent fiscal years will require City Council action in future budget processes.

Software Subscriptions and Services (Workday)	\$3,306,144
Additional Support (Workday)	\$285,000
Training (Workday)	\$66,600
Implementation Services (Cognizant)	\$2,914,040
Staffing augmentation (Robert Half)	\$925,000
Cashiering Subscriptions (Can/Am)	\$534,844
Cashiering Services (Can/Am)	\$112,832

Total Ten Year Costs	\$8,144,520
Contingency	\$814,452

Vendor	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
WorkDay	\$ 211,660	\$ 245,000	\$483,268	\$388,268	\$388,268	\$388,268	\$388,268	\$388,268	\$388,268	\$388,268	\$3,657,804
Cognizant	\$1,399,162	\$1,464,986	\$ 49,892								\$2,914,040
Robert Half	\$ 400,000	\$ 400,000	\$125,000								\$ 925,000
Can/Am	\$ 110,444	\$ 59,448	\$ 57,060	\$ 57,060	\$ 57,060	\$ 57,060	\$ 58,765	\$ 61,116	\$ 63,560	\$ 66,103	\$ 647,676
Total	\$2,121,266	\$2,169,434	\$715,220	\$445,328	\$445,328	\$445,328	\$447,033	\$449,384	\$451,828	\$454,371	\$8,144,520

Budget Authority

There are sufficient funds in the Information Technology Fund to cover the first year of implementation costs and software subscriptions. The Fiscal Year 2024-2025 cost will be \$2,121,266 and will be funded with a carryover request that staff will bring to City Council to move a Fiscal Year 2023-2024 appropriation for this project into Fiscal Year 2024-2025 (Account 688-13-133), which will not impact General Fund balance. Funds for future year software subscription costs will be included in the Information Technology budget requests.

Attachments

- A - Draft Resolution**
- B - Workday MSA**
- C - Cognizant MSA**
- D - Presentation**

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