



MEMORANDUM

To: Mayor and City Council

From: Jennifer Miller, Director of Finance

Date: May 24, 2016

Reference: Professional Services contract with Online Business Systems (OBS)

2030: Sustainable City Government

Introduction:

This agenda item is being presented to consider approval of a contract with Online Business Systems related to the Enterprise Resource Planning (ERP) Replacement Discovery project.

Analysis:

- On March 31, 2015, the Engineering Department presented to Council the 1st phase of the City-wide software review and replacement program. In August 2015, Council awarded the project management contract and authorized the purchase of the Tyler Technology software. Engineering has been working on the conversion and is scheduled to go “live” in October 2016.
- Phase 2 of the software review and replacement project is now ready to begin. This primarily includes the Finance packages and the Human Resources packages.
- A brief history of the New World system
 - In 1995 converted from USTI to New World AS400 system (Green Screens)
 - After 16 years, in 2011, converted to New World.net (Internet based). This conversion was long overdue.
 - Tyler Technologies purchased New World Systems in 2015. Within the next 2 to 3 years, the New World product will be at end of life.
- The discovery contract with OBS has three phases: Planning & Needs Analysis, Solution Definition and Contracting & Planning.
- This contract is a 12 month period for Discovery. There are also two months (months 11 & 12) budgeted to bring in the Project Manager for Implementation Project and approximately 25% for Ad Hoc items that might need to be addressed during the Discovery phase. Should the Ad Hoc funding not be needed it will be release and used towards the Implementation project.

- Key Goals of this project are:
 - To retire the New World System
 - To minimize change
 - Implement and embrace a new technology solution
 - Explore opportunities
 - Best practices
 - One solution vs. many different solutions
 - Get the contract with the software vendor right the 1st time

Legal Review:

The agenda item was reviewed by legal as part of the agenda review process.

Fiscal Impact:

This contract is for a 12 month period and is not to exceed \$442,680. It is part of the Enterprise-Wide software project that has been designated in General Fund – Fund Balance.

Recommendation:

The Finance Department recommends approval.