



Legislation Text

File #: 16595, **Version:** 1

Fiscal Note

This resolution authorizes the City to enter into a contract for the acquisition and implementation of new ERP software systems totaling \$5,500,000. Funding for this project has been provided for in the 2009 through 2011 Capital Budgets. \$250,000 was borrowed in 2009 for the initial consulting services phase. The funding for this proposed contract and other related project costs has been included in the adopted 2010 Capital Budget in the amounts of \$4,650,000 (CE34.58000.810561) and in the Adopted Capital Improvement Program for 2011 in the amount of \$2,800,000, for a total project cost of \$7,700,000 including all hardware, software, implementation consulting and contingency.

Title

A RESOLUTION authorizing the Mayor and City Clerk to enter into Contracts with Tyler Technologies, Inc. for the purchase and implementation of the MUNIS system and other software products for the City's Integrated Enterprise Resource Planning System project (ERP) and for related services.

Body

Background

The City's core financial software system is approaching 14 years of age and is in need of replacement. Since it was installed in January of 1997, substantial technological advancements, expanded financial reporting requirements, demands for more timely information, and numerous governmental accounting pronouncements adopted during the past years have rendered the current software functionally obsolete. While currently available, technical and maintenance support for the existing software is limited, and likely to become unavailable in the near future. Additionally, the City maintains numerous stand-alone subsystems and shadow systems that are not presently integrated or interfaced with the current core financial system. These separate systems result in duplication of business processes, labor-intensive data entry by City staff, inconsistent data and reporting, little to no citizen and/or employee self service capabilities, poor audit trails and other workflow and approval inefficiencies. Furthermore, many of these subsystems have lost or will lose maintenance support services in the very near future given the age of the software and the out-dated programming language.

Nearly two years ago, City staff began a process to identify and evaluate software needed to replace these current systems with the assistance of Baker Tilley (Virchow Krause) as an independent software selection consultant. During the needs assessment examination, it was determined that approximately 36 subsystems could be retired and replaced with a new Integrated Enterprise Resource Planning system, commonly referred to as an "ERP system.". Additionally, 15 other continuing software systems were identified with potential to be interfaced to new ERP software, including some recently implemented by the City such as the Accela permitting system and the Telestaff employee scheduling system, as well as others maintained by other outside organizations, like the Wisconsin Retirement System.

The City solicited proposals from qualified vendors for an ERP system in February. Four proposals were ultimately submitted by the due date of April 2, 2009. In consultation with the software selection consultant, staff reviewed the initial four proposals for completeness of response, base software requirements, and vendor references. Based upon the predetermined evaluation criteria, each response was scored and ranked. Two proposers were identified as best meeting the City's budgetary and technical support criteria and were invited to provide full software demonstrations. Each was asked to prepare for and respond to demonstration scripts covering more than 20 different functional areas desired in a new software suite.

One vendor accepted and demonstrated their software in June. Approximately 60-70 City agency staff participated in the demonstrations with roughly 15 City staff scoring software functionality. Functional gaps in the software were identified and the proposer provided a follow-up demonstration during July. Some of the previously identified gaps were resolved, while others were selected to be priced as future enhancements or modifications.

The City's ERP project manager conducted phone conference calls with five references provided by the proposer. Four of the City's project team members conducted a site visit to one of the largest clients utilizing the software (City of Durham, NC) in October and visited the headquarters of the proposer in Falmouth, ME in November. The site visits confirmed the team's decision to award the contract to Tyler Technologies, Inc. (Tyler)

Tyler Technologies is publicly traded on the New York Stock Exchange and is a national presence with more than 7,000 clients including 1,300 units of local government. Tyler employs nearly 2,000 employees and has been in business for 25 years, including over 20 years in implementing public sector software. All implementation services for the City (except 3rd party partner software components) will be provided by Tyler. Data conversions will be completed on a fixed-fee basis, rather than a time and materials basis like many companies in the industry. Tyler warrants that for a period of ten years after acceptance of the System, the System will be upwardly compatible with future software releases, upwardly compatible with the proposed database and operating systems.

The proposed new ERP software will provide a full array of the City's core financial and business processes including: General Ledger, Accounts Payable, Accounts Receivable, General Billing, and Purchasing, Payroll, HR Management and Applicant Tracking, Capital Assets, GASB-34 Report Writer, Contract Management, E-Procurement and Bidding, Project and Grant Accounting, Utility Billing, Special Assessments, Cashiering, Performance Based Budgeting, Capital and Operating Budgeting, Content Management, Workflows, On-line Approval Routings, Role Dashboards and Audit Trails, Inventory, Treasury Management, Municipal Court Services, Community Services Tracking, Employee and Vendor Self Service, and Citizen Self Service.

WHEREAS, a new Enterprise Resource Planning System (ERP) will result in improved business functionality across all agencies; and

WHEREAS, the new ERP system will provide for web-based employee, manager, vendor, and citizen access to support City operations; and

WHEREAS, the ERP software will provide for improved electronic submission, routing, and approval of various forms and processes for substantial time savings and cost reductions; and

WHEREAS, the integration of modules in the new ERP will allow for enhanced and more efficient workflows and automatic notifications; and

WHEREAS, the new ERP system could retire and/or replace approximately 36 other subsystems currently maintained citywide, thus gaining efficiencies through shared business systems and data and incorporating standardized business procedures; and

WHEREAS, approximately 15 other remaining systems could be interfaced to a new ERP system, thus considerably reducing data redundancy and labor-intensive data entry; and

WHEREAS, the new ERP system will equip city staff with needed real-time data leading to increased efficiencies and allowing for better allocation and coordination of city resources; and

WHEREAS, increased system inquiry and user reporting capabilities in the new ERP system will make better

use of staff time in completing forms, eliminating manual processing, and making changes without routing paper, and

WHEREAS, the new ERP system will provide better online training tools and more user friendly functionality; and

WHEREAS, the new ERP system will enable easy access to timely information for improved decision-making and planning; and

WHEREAS, the new ERP solution will enable City staff to incorporate leading business practices for government and standardize these practices across departments to the maximum extent possible; and

WHEREAS, the City will provide improved delivery of services by creating more web-based self service opportunities for citizens, vendors, and employees; and

WHEREAS, the ERP solution would proactively position the City for the future to implement changes for a warranted minimum of ten (10) years; and

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Clerk are authorized to execute a contract with Tyler Technologies for software, implementation and consulting services, licensure, configuration, installation, data conversion, system modifications, end-user training and procedural manuals, report writing at a cost of \$5,500,000; and

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are authorized to execute renewals of service contracts, such as software support and maintenance, after the initial term(s) has expired; and

BE IT FURTHER RESOLVED, that the total cost for all purchases and contracts herein shall not exceed the amounts budgeted for this project or authorized in future approved budgets; and

BE IT FURTHER RESOLVED, that change orders that do not exceed the City's approved budget or the scope of the project as authorized by the Common Council may be executed by the City Comptroller or Information Services Director and/or designee, and counter-executed by Tyler Technologies Management; and

BE IT FINALLY RESOLVED, that the City Comptroller is authorized to internally borrow to finance these expenditures until permanent borrowing takes place.