

TO: General Government Committee  
FROM: Troy Niemeyer, Finance Director  
DATE: May 8, 2024  
SUBJECT: Enterprise Resource Planning System Contract Amendment No. 2

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1) Recommended Action:

Place the Enterprise Resource Planning (ERP) System Contract Amendment on the consent calendar at the May 21, 2024 City Council meeting, with a recommendation to approve.

In addition, authorize the Finance Director to approve minor contract amendments and change orders, up to ten percent (10%) of the total contract amount.

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2) Background:

The City began implementation of a new Enterprise Resource Planning (ERP) system in December 2021. The first two modules (Financials and Productivity) went live on April 3, 2023. The project was on time and under budget, but we were burning people out. The City experienced a lot of turnover during the previous two years, including turnover of the entire Human Resources department in the first half of 2023. The City Council approved the first contract amendment in November 2023 for time only. The implementation team ran into issues with the Human Content Management (HCM) module, which includes HR and Payroll. This resulted in a delay until August 2024, plus additional vendor support cost.

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3) Policy Support:

Refine and sustain a great organization; implement the ERP.

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4) Alternatives:

☐ Instruct staff to evaluate additional alternatives.

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5) Fiscal Notes:

The overall project was under budget when the Financials module went live in April 2023. This amendment increases the contract amount by approximately \$35,000 and extends the timeline of the Human Content Management (HCM) module to August 2024.

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6) Attachments:

A. Contract Amendment No. 2