



Office of the City Manager

CONSENT CALENDAR

July 28, 2020

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Savita Chaudhary, Director, Information Technology Department

Subject: Contract No. 10549A Amendment: Tyler Technologies Enterprise Resource Planning System for software licensing, implementation and maintenance services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract amendment with Tyler Technologies for software licensing, enhanced implementation services and maintenance services for the online Enterprise Resource Planning (ERP) system for the amount not to exceed \$650,000 and a total contract value not to exceed \$3,952,662.68 from April 1, 2017 to June 30, 2023.

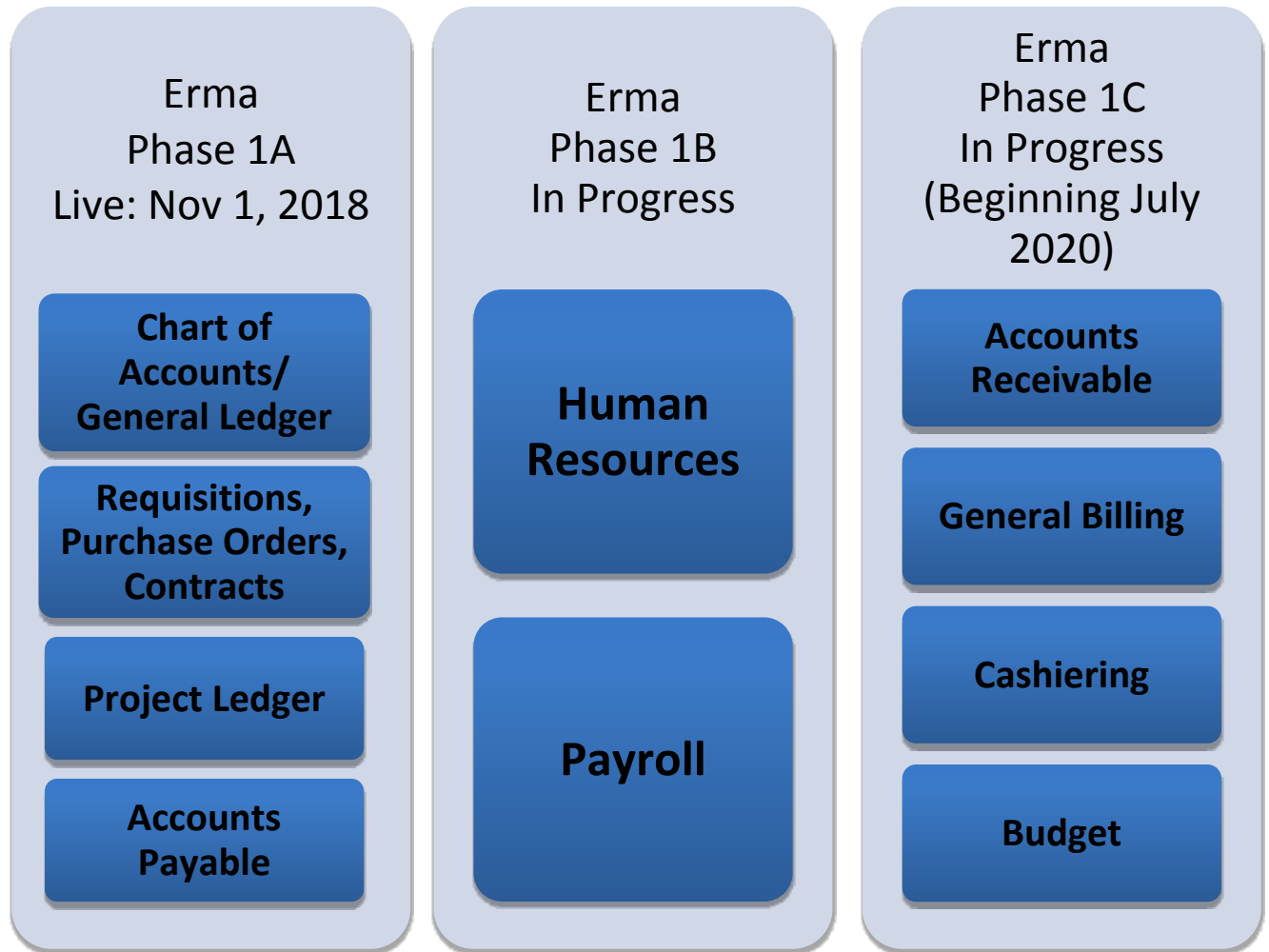
FISCAL IMPACTS OF RECOMMENDATION

Funding for additional services related to the implementation of the Human Resources and Payroll modules, and additional software maintenance for FY 2021, is available in the FUNDS Replacement fund as itemized below. Spending for this contract in future fiscal years is subject to Council approval of the proposed citywide budget and annual appropriation ordinances.

		FY 2021: Professional Services
\$	340,000	Budget Code: 503-35-362-376-0000-000-412-612990- (ERP Replacement Fund, Information Technology, Professional Services)
		FY 2021: Software Maintenance
\$	310,000	Budget Code: 503-35-362-376-0000-000-412-613130- (ERP Replacement Fund, Information Technology, Software Maintenance)
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\$	650,000	FY 2021 Total: Professional Services, Software Maintenance

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley has implemented Phase 1A of Tyler Technologies' Munis ERP system, internally named enterprise resource management application (erma). The City is currently focused on implementing Phases 1B and 1C to complete the implementation of the ERP system.



The City is committed to deploying best practices for Payroll implementation which require attention to the Minimum Viable Product to go live. To accomplish this, the City requires additional implementation support to ensure that the system pays staff in compliance with Fair Labor Standards (FLSA), including the City of Berkeley's complex union agreements we have in place with our employees. Additionally, time entry practices will change dramatically from a physical time card to electronic reporting and the City recognizes staff will need additional support for the transition to be successful.

The City also needs to pay annual fees to cover maintenance, service licenses and disaster recovery services on an ongoing annual basis. This amendment will cover additional implementation support for the payroll and time entry modules as well as ongoing fees through 2021.

The City is scheduled to begin working on Phase 1C July, 2020. Implementation sessions for the budget module are scheduled to begin in July, 2020. Implementation sessions for Accounts Receivable, General Billing and Cashiering is scheduled to begin in September, 2020.

BACKGROUND

The City entered into contract with Tyler Technologies on May 11, 2017 to implement the City's new Enterprise Resource Planning (ERP) software. The initial agreement assumed a launch of financials on July 1, 2018 and Human Resources and Payroll on January 1, 2019. Due to the complexity of the project related to transitioning from a 30 year old system and significant staff turnover, the financial phase of the project was split into 2 portions (General Ledger and expenditures as phase 1A and General Billing, cashiering, Budget Module and Accounts Receivable as Phase 1B). Phase 1A launched on November 1st 2018 and proved to be a difficult transition for the City due to insufficient training and data conversion issues. Over the past year, staff have worked diligently to train staff, and address issues with the data conversion. Staff are currently working with Tyler to determine a project plan and timeline for the implementation of General Billing, Cashiering and Accounts Receivable. This will require significant project management, application of lessons learned and streamlined training for staff.

The Human Resources and Payroll launch date is scheduled for Fall 2020 and applying the lessons learned from implementation from Phase 1A, staff have determined a need for additional training support from Tyler as it is impactful to have the software experts present while training staff on how to use the new system. This will occur in partnership with Civic Makers training which focusses on strong use of technology based training due to COVID-19 social distancing guidelines and best safety practices, dynamic and varied learning styles and change management. We have learned that we need both the system expertise and human expertise to advance a change of this magnitude.

ENVIRONMENTAL SUSTAINABILITY

The adoption and implementation of a modern ERP system will reduce the amount of paper used in processing the City's business activities. The new system will also reduce the paperwork involved in timesheet processing for the City employees. Effective training will increase the rate at which the City reduces secondary processing.

Contract 10549A Amendment:
Tyler Technologies Enterprise Resource Planning System

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RATIONALE FOR RECOMMENDATION

It is important to continually apply lessons learned from each phase to improve adoption and implementation roll out. This includes more robust, comprehensive and dynamic system testing and training.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Savita Chaudhary, Director, Information Technology, 510-981-6541

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S

CONTRACT NO. 10549A AMENDMENT: TYLER TECHNOLOGIES, INC FOR
ENTERPRISE RESOURCE PLANNING SYSTEM

WHEREAS, On May 27, 2016, the City issued an RFP) No. 16-11012-C, for a new ERP Software and Implementation services; and

WHEREAS, the RFP review committee evaluated each proposal and determined that the Tyler Technologies Inc. proposal best met the City's operational, technological, and fiscal requirements; and

WHEREAS, on May 11, 2017, the City the City entered into a contract with Tyler Technologies to implement the Munis Enterprise Resource Planning (ERP) System; and

WHEREAS, funding for additional services related to the implementation of the Human Resources and Payroll modules, and additional software maintenance and support for FY 2021, is available in the FUNDS\$ Replacement fund and spending for this contract in future fiscal years is subject to Council approval of the proposed citywide budget and annual appropriation ordinances; and

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to amend Contract No. 10549A with Tyler Technologies, Inc. for software licensing, enhanced implementation services and maintenance services for the online Enterprise Resource Planning (ERP) system for the amount not to exceed \$650,000 and a total contract value not to exceed \$3,952,662.68 from April 1, 2017 to June 30, 2023

