



Lake Havasu City

Lake Havasu City
Municipal Courthouse
Council Chambers
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Legislation Details (With Text)

File #: ID 19-1923 **Version:** 1 **Name:**
Type: Action Item **Status:** Agenda Ready
File created: 2/25/2019 **In control:** City Council
On agenda: 3/12/2019 **Final action:**
Title: Approve Amendment No. 2 to the Services Agreement with CherryRoad Technologies, Inc., for Implementation Services for the Oracle Fusion Enterprise Resource Planning System (Jill Olsen)
Sponsors:
Indexes:
Code sections:
Attachments: 1. Amendment No. 2 to Services Agreement

Date	Ver.	Action By	Action	Result
3/12/2019	1	City Council	Approved	Pass

COUNCIL COMMUNICATION

TO: Honorable Mayor and Council
FROM: Jill Olsen, Administrative Services Director

SUBJECT:
Approve Amendment No. 2 to the Services Agreement with CherryRoad Technologies, Inc., for Implementation Services for the Oracle Fusion Enterprise Resource Planning System (*Jill Olsen*)

FUNDING SOURCE:
Various Departments

PURPOSE:
Amend the Services Agreement with CherryRoad Technologies, Inc., for the implementation of the Oracle Fusion Enterprise Resource Planning (ERP) system.

BACKGROUND:
The City currently has a Services Agreement with CherryRoad Technologies, Inc., (CRT) for an ERP system to replace the current Sungard HTE system. Amendment No. 1 was approved by Council in May 2018 for the purchase and implementation of additional modules (Benefits, Health & Safety, Discipline & Grievances, Projects & Contracts). Implementation of the ERP system was originally expected to go live January 1, 2019. However, the lack of in-house staff available to provide the required hours, as well as the significant number of items requiring conversion and interface hours, has caused the go-live date to be pushed back to July 1, 2019.

The original contract assumed that all interface and data conversion hours would be provided by staff. However, the City does not have the number of staff required to provide the needed hours for such an undertaking; therefore, it is not feasible that we will be able to do the required work within a reasonable timeframe without professional assistance.

The cost to provide the interface, conversion and testing/implementation hours has been estimated at an amount not to exceed \$364,000. The attached list shows the areas and information related to the tasks for which we are requesting assistance from CRT. This will be the final request for additional funding related to the original ERP contract. This is the not-to-exceed amount that has been estimated. Staff continues to work with CRT to minimize the amount of hours required of CRT.

COMMUNITY IMPACT:

Improved ERP services will allow the City to continue to improve automation, simplify processes, and provide more timely and complete financial reporting.

FISCAL IMPACT:

Funds are available for allocation in the Fiscal Year 2018-19 Capital Improvement Plan and will be charged to the various funds by year-end (General, Irrigation and Drainage District and Wastewater Funds).

ATTACHMENTS:

Amendment No. 2 to Services Agreement

SUGGESTED MOTION:

I move to approve Amendment No. 2 to the Services Agreement between Lake Havasu City and CherryRoad Technologies, Inc.