



Lake Havasu City

Lake Havasu City
Municipal Courthouse
Council Chambers
92 Acoma Boulevard
Lake Havasu City, Arizona
86403
www.lhcaz.gov

Legislation Text

File #: ID 17-1430, Version: 1

COUNCIL COMMUNICATION

TO: Honorable Mayor and Council

FROM: Tabatha Miller, Administrative Services Director

SUBJECT:

Approve Services Agreement with CherryRoad Technologies Inc. for Purchase, Implementation and Support of the Oracle Fusion Enterprise Resource Planning (ERP) System

FUNDING SOURCE:

Debt Proceeds

PURPOSE:

Approve Services Agreement with CherryRoad Technologies for purchase, implementation and support of the Oracle Fusion ERP system to replace the City's existing Sungard HTE financial system.

BACKGROUND:

The current Sungard HTE system was originally installed in 2002. The system looks and works much like it did 15 years ago. The reporting and security systems are out of date, inefficient and require additional staff time to administer and use. The system difficulties extend to many of the third-party vendors and add-in products which are obsolete with limited or no support.

Purchase of a new ERP system was included in the Community Investment Program (CIP) for fiscal year 2017-18. Staff from multiple departments spent months demonstrating systems. The consensus reached by the group was that the Oracle Fusion Cloud product was the best long-term solution for the City.

CherryRoad Technologies is a consulting firm that implements and provides long-term support for the Oracle Fusion Cloud products. The City has negotiated an agreement for the purchase, implementation and support of Financial and Procurement, Human Capital Management (including payroll) and Planning and Budget applications.

Implementation of the applications is priced at \$1,200,000. Annual licensing fees is priced at \$240,804, with a one-time charge of \$10,687 for an additional test environment in the first year.

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 in the FY 2017-18 Project No.: IT 1502, which is budgeted in account 110-1620-401-61.06, 521-4110-421-61.06 and 531-4210-422-61.06 for the implementation services. Ongoing annual licensing and use charges will be incorporated into account 110-1620-401-33.16.

ATTACHMENTS:

Services Agreement with CherryRoad Technologies Inc.

(Exhibits to Services Agreement were excluded due to length, but are available if requested.)

SUGGESTED MOTION:

I move to approve the Services Agreement between Lake Havasu City and CherryRoad Technologies Inc.