

10. Amendment No. 1 to the Professional Services Agreement with SDI Presence LLC

Recommendation:

Approve and authorize the City Administrator to execute Amendment No. 1 to the Professional Services Agreement with SDI Presence LLC, in substantially the same form as submitted, for project management services for a total not-to-exceed \$224,437.50, for an additional term of one year and four months.

City Council Agenda Report

Meeting Date: August 1, 2023
From: Scott Williams, Director of Finance
Department: Finance
Submitted by: Marisela Martinez, Buyer

Subject

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Background

On December 1, 2020, the City Council approved the implementation of a new comprehensive Enterprise Resource Planning (ERP) system for the City. Given the complexity and breadth of this project, it was determined that the services of a project management consultant would also be required to achieve a successful implementation and deployment of the new system. Accordingly, following a Request for Proposal process, on April 20, 2021, City Council approved the Professional Services Agreement with SDI Presence LLC (SDI) for project management services related to the City's ERP system implementation in an amount not-to-exceed \$819,000 for three years. Since then, SDI has provided project management services for the implementation of the Tyler ERP Munis software system, which includes modules for Budget and Purchasing, EnerGov, and the Munis Utility Billing Customer Information System. SDI works with Tyler and the City to ensure an effective deployment of all components of the ERP system, manages the multi-year project schedule, and monitors and communicates progress to City management.

Staff has worked diligently with Tyler and SDI on each phase of the implementation process resulting in the successful launch of several Tyler Munis modules including Budget, Purchasing, Accounts Payable, Contract Management, Capital Assets, and Project Management. Most recently, on May 1, 2023, the City launched use of Tyler's permitting module, EnerGov, providing customers the ability to apply, check status, and pay for permits and business licenses online. As of June 30, 2023, a balance of 211.50 hours remained available under the existing SDI Agreement, equating to \$37,012.50. Although significant progress has been made in the City's transition to a new ERP system, implementation changes and scheduling issues have caused project delays and have induced a need for additional assistance beyond the 211 hours. Staff is currently working on Accounts Receivable, Cashiering, Human Resource and Talent Management, ExecuTime Time & Attendance and Payroll, and is also in the early implementation stage for Utility Billing (scheduled to go live in about one year). Additionally, implementation for the Environmental Health module is set to start in December 2024. Staff and SDI estimate that an additional 1,282.50 hours and a term extension of one year and four months are sufficient to complete the ERP project implementation.

Staff requests approval of Amendment No. 1 for an additional \$224,437.50 and to extend the term to August 19, 2025. This increase will result in a total agreement amount not-to-exceed \$1,043,437.50. Pursuant to Section 3.32.030 (B) of the Vernon Municipal Code, if in the 12 months preceding the effective date of a proposed new, renewed, or otherwise amended

contract, the City has paid or awarded the proposed vendor more than \$100,000 pursuant to contracts with the vendor, then the amended contract shall be approved only by City Council.

The proposed Amendment No. 1 has been reviewed and approved as to form by the City Attorney's Office.

Fiscal Impact

The fiscal impact is not-to-exceed \$224,437.50. Sufficient funds are available in General Fund, Information Technology Department, Professional Services – IT Account No. 011-010-110-529210 for the current fiscal year and will be included in the FY 2024-25 budget.

Attachments

1. Amendment No. 1 – SDI Presence LLC

AMENDMENT NO. 1 TO THE SERVICES AGREEMENT BETWEEN THE CITY OF VERNON AND SDI PRESENCE LLC FOR PROJECT MANAGEMENT SERVICES FOR ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM IMPLEMENTATION

This Amendment No. 1 (Amendment) to the Agreement for project management services for ERP system implementation dated April 20, 2021, (Agreement), is made as of August 1, 2023, by and between the City of Vernon, a California charter city and municipal corporation (City), and SDI Presence LLC, (Contractor), a limited liability company.

The City and Contractor agree as follows:

RECITALS

- A. The City and Contractor are parties to a written Agreement dated April 20, 2021, under which Contractor provides project management services for ERP system Implementation.
- B. The City and Contractor desire to amend the Agreement to extend the Agreement for an additional one (1) year and four (4) months effective August 1, 2023, for a total additional amount not to exceed \$224,437.50.

NOW, THEREFORE, the parties to this Amendment agree as follows:

- 1. The Agreement term is extended for an additional one (1) year and four (4) months, and the Termination Date listed on the Cover Page and Section 4.0 (Term) of the Agreement is changed to August 19, 2025.
- 2. Contractor's grand total consideration for the Agreement term, from April 20, 2021, to August 19, 2025, shall not exceed the amount of \$1,043,437.50.
- 3. Except as expressly modified by this Amendment, all provisions of the Agreement shall remain in full force and effect.
- 4. The provisions of this Amendment shall constitute the entire agreement of the parties with respect to the subject matter included in this Amendment and shall supersede any other agreement, understanding, or arrangement, whether written or oral, between the parties with respect to the subject matter of this Amendment.
- 5. The person or persons executing this Amendment on behalf of each of the parties warrants and represents that he or she has the authority to execute this Amendment on behalf of that party and has the authority to bind that party to the performance of its obligations hereunder.

[Signatures Begin on Next Page].

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date stated in the introductory clause.

City of Vernon, a California Charter City and
California municipal corporation

SDI Presence LLC, a limited liability
company

CARLOS FANDINO, City Administrator

ATTEST:

LISA POPE, City Clerk

APPROVED AS TO FORM:

ZAYNAH N. MOUSSA, City Attorney

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____