

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: June 23, 2017

To: Supervisor Theo Lipscomb, Chairman, County Board of Supervisors

From: Steven R. Kreklow, Director, Office of Performance, Strategy & Budget
Scott Manske, Comptroller
Kerry Mitchell, Chief Human Resources Officer
Laurie Panella, Chief Information Officer, Information Management Services Division

Subject: Report from the Executive Steering Committee on Enterprise Platform Modernization (Capital Project WO602), requesting authorization to amend a professional services contract with Plante Moran.

Issue

The Executive Steering Committee on Enterprise Platform Modernization (Capital Project WO602) respectfully requests the authority to amend the Plante Moran (PM) professional services contract by \$752,000 for a total contract value of \$1,247,740 in order to continue PM's work effort associated with capital project WO602 – Enterprise Platform Modernization. As a result of this amendment, PM will provide on-site project management and be accountable for deliverables during the implementation process including tracking and confirming action items are completed on time, reviewing all invoices and tracking project budget while ensuring the project adheres to timeline and avoids scope creep.

Background

Milwaukee County is facing technical debt in many critical functional areas. Technical Debt can be defined as aged hardware and systems that are no longer vendor supported, past useful life, pose risk to operations and require significant investment to remediate risk. Two of the mission critical functional areas suffering from technical debt include Finance and Human Resource Management (HR). In some instances such as with the Advantage application, the tool is 16 years old and requires proprietary hardware with specialized expertise to maintain. Many of these hardware components are no longer produced nor supported by the manufacturer. Annual software maintenance, support, and licensing costs necessary to sustain the legacy Financial and HR applications have been regularly increasing and many legacy applications are no longer supported by the vendors. This creates risk for the County's mission critical financial and HR systems.

Capital project WO602 – Enterprise Platform Modernization was created to address the county's technical debt and inefficiencies in the current business operations with capital appropriations for planning totaling \$1,030,000 from 2013 through 2016. The project also

budgeted \$8,034,125 in the 2017 Capital Improvements Budget and includes an additional \$16,392,375 in the five year plan to complete implementation. The ERP projects represents one of the largest and most complex projects in Milwaukee County history. Acquiring effective project management is critical to keeping the project on time and on budget and ensuring the system fully meets the County's needs.

The 2015 scope of work included analysis and design with the intended result being a roadmap for products and solutions, costs for implementation of a new system(s), time lines, and migration strategies. The 2016 project scope reflects further analysis and design in order to develop detailed requirements including the identification of associated process optimization. This analysis and design will be used to create an RFP through which products and solutions will be competitively evaluated, scored and selected and all requirements will be identified for contract negotiations. System migration is projected to begin around the beginning of 2018.

WO602 – Enterprise Platform Modernization is a multi-phase project. In the first phase of the overall project, the primary goal was to understand the current technical and functional state of the County's enterprise financial and HR systems and to develop a plan for moving into the future. Two related, yet separate, tasks were completed in 2016: 1) an assessment of the County's legacy mainframe and application set, and; 2) a needs assessment and feasibility analysis to migrate the County to a modern Enterprise Resource Planning (ERP) system. Finally, an RFP process was completed in 2017 and Procurement issued an intent to award a contract to the winning vendor in June. A separate report has been submitted to the County Board requesting approval to enter into contract with Infor and begin the implementation process.

Next Steps

With the procurement process nearly complete, the Executive Steering Committee is now requesting authorization to execute an amendment to the PM contract. This amendment would allow PM to provide project management services during the implementation process. These services were included as an optional additional services in the original proposal submitted by PM in response to a competitive RFP process. The knowledge of County processes that PM has developed in previous phases of the ERP project combined with their experience providing implementation project management services to similar local government clients makes it advantageous for the County to amend the existing contract.

Recommendation

The Executive Steering Committee for the ERP Project, respectfully requests approval to execute a professional services contract amendment with Plante Moran in order to

continue the work effort associated with capital project WO602 – Enterprise Platform Modernization. As a result of this amendment, Plante Moran will provide project management services over the course of the implementation project.

Fiscal Impact

This action would increase the current professional services contract with Plante Moran by \$752,000 for a total contract value of \$1,247,740. The requested funds are included in Capital project WO602 - Enterprise Platform Modernization. A fiscal note form is attached.

Approved by:



Steven R. Kreklow
Director, Office of Performance, Strategy & Budget

- cc: County Executive Chris Abele
Raisa Koltun, Chief of Staff
Supervisor Peggy West, Chair, Finance and Audit Committee
Supervisor Sheldon Wasserman, Vice-Chair, Finance and Audit Committee
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Teig Whaley-Smith, Director, Department of Administrative Services
Laurie Panella, Chief Information Officer, DAS
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