



AGENDA STAFF REPORT

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Section Name: Informational Presentations to the Board
Project ID: GD2301

MEETING DATE: October 22, 2024

SUBJECT: Quarterly update of Enterprise Resource Planning (Workday) and Utility Billing Customer Information System (SpryPoint) implementations

TO: BOARD OF DIRECTORS

FROM: FINANCE, KARLA ROMERO

GENERAL MANAGER RECOMMENDATION:

RECOMMENDATION:

Review the current status, upcoming actions, and budget overview for the implementation of Workday and SpryPoint Enterprise Resource Planning (ERP) software.

BUDGET IMPACT:

Quarterly project updates do not incur an additional budget impact; however, the project budget and contractual obligations are as follows:

The adopted Fiscal Year (FY) 2024/25 capital improvement program (CIP) budget includes \$4,077,500 of PAYGO funding for this project with an additional \$12,007,500 anticipated in future fiscal years. This PAYGO funded project is allocated to various enterprise funds as follows:

FUND	FY 2024/25 BUDGET ALLOCATION	% OF ALLOCATION
110 – Stormwater	\$ 203,875	5%
501 – Canal	\$ 1,019,375	25%
535 – Domestic	\$ 1,427,125	35%
550 – West Whitewater RAC	\$ 407,750	10%
552 – East Whitewater RAC	\$ 407,750	10%
580 – Sanitation	\$ 611,625	15%
TOTAL	\$ 4,077,500	100%

The total project costs are allocated to various enterprise funds as follows:

FUND	TOTAL CIP BUDGET ALLOCATION	% OF ALLOCATION
110 – Stormwater	\$ 804,250	5%
501 – Canal	\$ 4,021,250	25%
535 – Domestic	\$ 5,629,750	35%
550 – West Whitewater RAC	\$ 1,608,500	10%
552 – East Whitewater RAC	\$ 1,608,500	10%
580 – Sanitation	\$ 2,412,750	15%
TOTAL	\$16,085,000	100%

The total CIP project budget includes the annual software subscription costs during implementation. Software subscription cost after go-live shall be budgeted within the Information System's annual budget. Program Management Services are also included within the overall budget.

A summary of all services included in the ERP budget are as follows:

Vendor	Anticipated Cost	Paid Through 9/30/2024	Remaining Budget
Workday subscription cost, 3 yrs	\$ 1,780,469	\$ 590,633	\$ 1,189,836
Strada Implementation	\$ 4,303,806	\$ -	\$ 4,303,806
SpyPoint subscription cost, 3 yrs	\$ 1,780,000	\$ 530,000	\$ 1,250,000
SpyPoint Implementation	\$ 2,580,800	\$ -	\$ 2,580,800
Contingency 20%	\$ 1,376,921	\$ -	\$ 1,376,921
CVWD Program Manager	\$ 1,753,440	\$ -	\$ 1,753,440
Contingency 25%	\$ 438,360	\$ -	\$ 438,360
CVWD Staff Augmentation	\$ 1,500,000	\$ -	\$ 1,500,000
ERP Systems Selection Process	\$ 182,050	\$ 199,592	\$ (17,542)
		\$ -	\$ -
	\$ 15,695,846	\$ 1,320,225	\$ 14,375,621
Project Budget Estimate	\$ (16,085,000)		
Remaining Funds	\$ (389,154)		

PROCUREMENT METHOD:

☒ N/A

If other, please explain: .

BACKGROUND

This project includes the replacement of CVWD's Enterprise Resource Planning (ERP) and Utility Billing/Customer Information System (UB/CIS). The scope of this multi-year project includes the analysis, selection, purchase, and implementation of the software and hardware necessary to replace and integrate these systems.

CVWD currently relies on NaviLine, iSeries, and various third-party systems that have an uncertain future and do not fully leverage current day technological capabilities to support CVWD's needs. The objective of this project is to obtain a long-term stable Cloud based ERP and UB/CIS system that follows streamlined business processes and provides information that supports improved decision making.

PRIOR BOARD ACTION:

2019 – SDI Presence, LLC (SDI) was initially contracted in 2019 to complete a Strategic Assessment and Gap Analysis (Analysis) of the existing ERP and UB/CIS system.

6/23/2020 – ERP Gap Analysis and Strategic Assessment Report was presented to the Board.

2/16/2021 – Presentation related to the Request for Proposal for a new Utility Billing System and Enterprise Resource Planning system

10/26/2021 - The Board approved a professional services agreement with SDI for the Procurement Phase of evaluating a new ERP system totaling \$131,000.

10/11/2022 - The Board approved an amendment to SDI's contract adding \$52,000 to the contract for a total cost of \$183,000, plus a contingency in the amount of \$5,200.

6/27/2023 – Request to release the Request for Proposal (RFP) for the solicitation of bids to procure a new or upgraded enterprise resource planning (ERP)/utility billing (UB) solution with the potential for third-party software integrations

7/9/2024 – Informational item presented regarding the project status and proposed recommendations for ERP and UB/CIS systems

8/13/2024 - Approved the Enterprise Resource Planning (Workday) and Utility Billing Customer Information System (SpryPoint) Master Service Agreements along with the Professional Services Agreement for Implementation Service (Strada, formally Alight)

9/10/2024 – Approved Program Management Services related to the Enterprise Resource Planning and Utility Billing System Implementations (BerryDunn)

The ERP and UB/CIS project has been included with CIP budget study sessions and subsequent adopted budgets as follows:

3/29/22 - CIP study session for FY 22/23 included an ERP/UB budget request of \$150,000

3/21/23 – CIP study session for FY 23/24 included an updated ERP/UB budget request of \$6.65M

3/29/24 – CIP study session for FY 23/24 included an updated ERP/UB budget request of \$16M

DISTRICT STRATEGIC PLAN GOAL(S)/OBJECTIVES(S):

The implementation of a new Enterprise Resource Planning and Utility Billing System aligns with the CVWD strategic goals of providing exceptional customer service, operational optimization, and financial viability.

ENVIRONMENTAL IMPACT:

This is not a project as defined by CEQA; therefore, approval does not require any CEQA action.

PUBLIC NOTICE REQUIRED

N/A

LEGAL REVIEW

N/A

ATTACHMENTS

Attachment 1 – Quarterly Update of ERP and UB/CIS Implementations