



Legislation Text

File #: 2022-041, Version: 1

**Contract No. 2000274-1
Enterprise Resource Planning System Implementation Services; and
Contract No. 2000274-2
Enterprise Resource Planning System Subscription Services**

Agenda of: February 23, 2022

Item No.: **2022-041**

Amount: \$13,183,071.44

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Interim Chief Executive Officer
Great Lakes Water Authority

DATE: January 27, 2022

RE: **Contract No. 2000274-1
Enterprise Resource Planning System Implementation Services; and
Contract No. 2000274-2
Enterprise Resource Planning System Subscription Services
Vendors: Alight Solutions LLC and Workday, Inc.**

MOTION

Upon recommendation of Jeffrey E. Small, Chief Information Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Interim Chief Executive Officer (ICEO) to **enter into Contract No. 2000274-1, “Enterprise Resource Planning System Implementation Services” with Alight Solutions LLC, at a cost not to exceed \$6,917,324.44 for a duration of Eight (8) Years; and Contract No. 2000274-2, “Enterprise Resource Planning System Subscription Services” with Workday, Inc., at a cost not to exceed \$6,265,747.00 for a duration of Eight (8) Years;** and authorizes the ICEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The primary financial and human resources systems, BS&A and Ceridian Dayforce, were

implemented at the start of GLWA's operations in 2016. These systems are used to process, manage, and coordinate all financial and human resources activities for the organization. GLWA also currently uses three other systems to fill gaps in functionality for HR and finance, as well as manual processes and intermediary systems that assist with workflows and consolidating information between the disparate systems.

GLWA issued a Request for Proposals (RFP) to find and select a replacement for the multiple systems that GLWA uses today, including BS&A, Ceridian Dayforce, BigTime for shared services and capital project time tracking, Cornerstone for learning management, and CCH Tagetik for financial reporting. After a robust evaluation process, GLWA selected Workday as the new software solution with implementation and payroll processing services provided by Alight.

JUSTIFICATION

GLWA's existing financial and human resources systems do not meet GLWA's ongoing and future business needs. Because of the lack of functionality and integrations of the current systems, many business processes are semi-manual and labor intensive, including budget analysis, financial reporting, and processing of financial and HR requisitions. BS&A is stretched beyond its limits with the complexity of GLWA's financial needs, as well as lacking needed functionality and reporting capability. Ceridian is limited in its ability to meet the needs of Organizational Development and the utility and lacks needed functionality in multiple areas, including workflows, approval processing and reporting capability.

To streamline the use and management of these processes, GLWA selected Workday, which is a cloud based integrated financial, HR, payroll, and analytic system that will replace the five current systems into one single solution. Workday is a modern built for cloud access fully functional Financial and HR/Payroll Enterprise Resource Planning (ERP) system that is configurable to meet the needs of GLWA now and into the future. As a cloud based Software as a Service (SaaS), we will always be on the latest version with access to a feature rich, best in class, and easy to use system for all GLWA stakeholders.

The planned start date of these contracts is April 1, 2022. If all terms are approved, the contract for Alight's implementation and payroll processing services will end on March 31, 2030.

FINANCIAL PLAN IMPACT

Summary: Sufficient funds are provided in the financial plan for these contracts.

Funding Source: Some components of the Program will be capitalized through the Improvement & Extension (I&E) budget as they are related to implementation, physical hardware, and software items. The remaining components are related subscription and their cloud services which will be funded through Information Technology's Operations & Maintenance (O&M) budget.

Cost Center(s): IT Business Productivity Systems (Centralized Services-883341)

Expense Type(s): Capital Outlay over \$5K (I&E-Capitalized) (901100)
Repairs & Maintenance - Software (622302)

Estimated Cost by Year and Related Estimating Variance: See table below

<u>Fiscal Year</u>	<u>I&E Amount</u>	<u>O&M Amount</u>	<u>Combined Total</u>
FY 2022 Budget (Prorated)	\$266,129.00	\$411,506.00	\$677,635.00
FY 2023 Financial Plan	2,433,959.00	730,852.00	3,164,811.00
FY 2024 Financial Plan	2,629,151.00	862,682.50	3,491,833.50
FY 2025 Financial Plan	490,127.00	1,000,739.00	1,490,866.00
FY 2026 Financial Plan		1,025,448.40	1,025,448.40
FY 2027 Financial Plan		1,045,590.42	1,045,590.42
FY 2028 Financial Plan		1,066,262.63	1,066,262.63
FY 2029 Financial Plan		1,087,477.02	1,087,477.02
FY 2030 Financial Plan (Prorated)	-	<u>133,147.47</u>	<u>133,147.47</u>
Financial Plan Forecast	\$5,819,366.00	\$7,363,705.44	\$13,183,071.44
Proposed Contract Amount	<u>\$5,819,366.00</u>	<u>\$7,363,705.44</u>	<u>\$13,183,071.44</u>
Variance (positive/ (negative))	-	-	-

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on February 9, 2022. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.