

## Legislation Text

**File #:** AI-2021-237, **Version:** 1

### SUBJECT:

Approval of a resolution authorizing the President & CEO, or his designee, to modify the KPMG, LLC contract # 200611 for Enterprise Resource Planning (ERP) Consulting services, increasing the original Board authorized amount by \$259,085, plus a contingency amount of \$250,000, for the addition of a Business Analyst to lead systems integrations with the Oracle Enterprise Resource Planning (ERP) system for a new not-to-exceed amount of \$3,040,376.

### FISCAL IMPACT:

Funding for this action is available in the FY2022 Capital Budget

### STRATEGIC PLAN:

#### Strategic Goal Alignment:

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> 1. Internal/External Customer Service Excellence         | <input type="checkbox"/> 2. Stakeholder Engagement |  |
| <input checked="" type="checkbox"/> 3. Financial and Environmental Sustainability | <input type="checkbox"/> 4. Staff Development      | <input type="checkbox"/> 5. Agency Growth Management |

#### Strategic Objectives:

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> 1.1 Safety & Risk            | <input type="checkbox"/> 1.2 Continuous improvement           | <input type="checkbox"/> 1.3 Dynamic Change           |
| <input type="checkbox"/> 1.4 Culture of Innovation    | <input type="checkbox"/> 2.1 Be an Employer of Choice         | <input type="checkbox"/> 2.2 Organization Development |
| <input type="checkbox"/> 2.3 Organization Culture     | <input checked="" type="checkbox"/> 3.1 Resource optimization | <input type="checkbox"/> 3.2 Safety Culture           |
| <input type="checkbox"/> 3.3 Environmental Leadership | <input type="checkbox"/> 4.1 Educate & Call to Action         | <input type="checkbox"/> 4.2 Build Partnerships       |
| <input type="checkbox"/> 4.3 Value of Transit         | <input type="checkbox"/> 4.4 Project Connect                  |   |

**EXPLANATION OF STRATEGIC ALIGNMENT:** Our current financial management system is no longer actively maintained by the vendor and mainstream support for the system ended in October 2021. Capital Metro is implementing a new ERP system with Oracle facilitated by KPMG. As part of the State of Good Repair program, it is imperative to replace these mission-critical systems that are at the end of their useful life.

**BUSINESS CASE:** Capital Metro currently uses Microsoft Dynamics AX 2012 as the financial management system for the Authority, and UltiPro for human capital management and payroll. The systems are at the end of their useful life and do not satisfy current business needs for integrating mission-critical business data, budget management, grant management, project accounting, reporting, business intelligence, payroll,

employee benefits, recruiting, onboarding and human capital management. Capital Metro is implementing a new ERP system with Oracle facilitated by KPMG. During the Design phase of the project, a need was identified for an additional lead with KPMG to facilitate the integrations with existing systems such as banking services, fare payment systems, p-card, data warehouse, asset management and other key systems.

**COMMITTEE RECOMMENDATION:** This item was presented and recommended for approval by the Finance, Audit and Administration Committee on November 10, 2021.

**EXECUTIVE SUMMARY:** Capital Metro is implementing a new ERP system to replace the out-of-lifecycle financial management, human capital management, and payroll systems. To help ensure that Capital Metro procures a best-fit system that meets the current and future business needs of the agency and to ensure that it is implemented most effectively, Capital Metro is seeking to add a business analyst from KPMG to the project who will lead the systems integrations with the new ERP system.

**DBE/SBE PARTICIPATION:** No SBE goal is assigned to this contract due to limited subcontracting availability.

**PROCUREMENT:** On July 20, 2020, following authorization by the Capital Metro Board of Directors, KPMG, LLP was awarded contract #200611 for Enterprise Resource Planning (ERP) Consulting services for a total not to exceed amount of \$2,381,291. Modifications to the contract within the Procurement Policy of up to \$150,000 above the board award have been made to cover additional technical resources above the original projected contract amount. This proposed modification will increase the total not-to-exceed amount by an additional \$259,085, plus a contingency amount of \$250,000, bringing the not-to-exceed amount to \$3,040,376.

Description	Amount
Base Term	\$1,049,611
Option Periods 2 and 3	\$1,331,680
Modifications through October 1, 2021	\$150,000
<b>Subtotal: July 2020 Board Award</b>	<b>\$2,531,291</b>
Proposed Modification	\$259,085
Contingency Amount	\$250,000
<b>Final Not-to-Exceed Amount: November 2021</b>	<b>\$3,040,376</b>

**RESPONSIBLE DEPARTMENT:** Information Technology

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2021-237**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to procure and implement a best-fit Enterprise Resource Planning (ERP) system that will provide improved functionality to meet current and future business growth with the required staffing to support a successful and seamless transition; and

WHEREAS, a system has been selected that will meet the current and future needs in this area; and

WHEREAS, the requirement for a business analyst to facilitate systems integrations of the new system has been identified as a component that will contribute to the success of implementation of the new system.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or his designee, is authorized to modify the KPMG, LLC contract # 200611 for Enterprise Resource Planning (ERP) Consulting services, increasing the original Board authorized amount by \$259,085, plus a contingency amount of \$250,000, for the addition of a Business Analyst to lead systems integrations with the Oracle Enterprise Resource Planning (ERP) system for a new not-to-exceed amount of \$3,040,376.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Eric Stratton**