

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING) RESOLUTION NO. 2572
AMENDMENT NO. 6 OF THE PUBLIC)
CONTRACT WITH PEOPLESOFT, INC.) Introduced by Mike Burton
FOR THE PROVISION OF CONSULTING) Executive Officer
SERVICES.)

WHEREAS, described in the accompanying staff report, Metro and PeopleSoft, Inc. have entered into a multi-year contract for the provision of software and consulting services in support of the installation and implementation of a new management information system; and

WHEREAS, Metro requires specific technical and functional consulting services to support completion of the management information system project; and

WHEREAS, Metro wishes to amend the contract with PeopleSoft to provide the needed consulting services; and

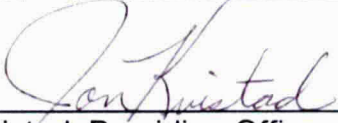
WHEREAS, Metro Code section 2.04 requires Council approval for an amendment under the circumstances; and

WHEREAS, the resolution was submitted to the Executive Officer for consideration and is recommended to the Council for approval; now therefore,

BE IT RESOLVED,

The Metro Council authorizes the Executive Officer to execute
Amendment No. 6 to the PeopleSoft, Inc. contract attached as Exhibit "A."

ADOPTED by the Metro Council this 4th day of December, 1997.



Jon Kvistad, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 2572 FOR THE PURPOSE OF APPROVING CHANGE ORDER NO. 6 TO THE PUBLIC CONTRACT WITH PEOPLESOFT, INC. FOR THE PROVISION OF CONSULTING SERVICES.

Date: November 13, 1997

Presented by: Jennifer Sims

PROPOSED ACTION

Adopt Resolution No. 2572, authorizing the Executive Officer to execute change order No. 6 to the PeopleSoft contract.

FACTUAL BACKGROUND AND ANALYSIS

In May of 1996, Council adopted resolution 96-2346 authorizing a contract with PeopleSoft, Inc. to provide software, training, and consulting services required to support Metro's InfoLink project. InfoLink is a \$2.38 million project to replace Metro's financial and human resource information systems.

A budgeted element of the InfoLink project was \$612,175 in Phase I and \$161,950 in Phase II for implementation consulting services. Resolution 96-2346 also authorized a contract with Business Information Technology (BIT) to provide these services. The intent was for BIT to provide "over the shoulder" consulting of an advisory nature while Metro staff performed the actual work of the project.

As the InfoLink project progressed, it became apparent that Metro staff does not require outside coaching and that the real need was for consulting on a variety of specific technical and functional issues encountered in the course of implementation. To that end Council approved amendments one and two of the PeopleSoft contract that enabled staff to obtain the services of PeopleSoft Services Group (PSG) in prepaid increments of \$85,000. This was paid for by redirecting project budget earmarked for BIT. This strategy led to the successful implementation of general ledger, purchasing, and accounts payable modules that went into production August 2, 1997. To date \$255,000 has been expended for pre-paid PSG services with an estimated \$35,000 for related travel expenses.

The proposed Amendment No. 6 to the PeopleSoft contract continues this strategy for the completion of the Payroll and Human Resource implementation and Phase II implementation of project costing, asset management, budget, and time and labor modules.

BUDGET IMPACT

This amendment is cost neutral with regard to the project budget. The total cost of this contract amendment and related expenses is \$99,516 for Phase I and up to \$199,032 in Phase II. The Phase I portion will be paid for with \$78,000 remaining in the Phase I budget for BIT and \$7,000 from Phase I contingency. Contingency will also be used to cover estimated travel expenses of \$14,516. The Phase II portion will be paid for with \$161,000 budgeted in Phase II for BIT and \$9,000 from contingency. An additional \$29,032 for related travel expenses will be covered by Phase II contingency.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 97-2572.