



City Clerk Document No. _____

City Council Meeting Date: July 18, 2024

**AMENDMENT TO CITY OF CHANDLER AGREEMENT
ERP ANALYSIS PROJECT
CITY OF CHANDLER AGREEMENT NO. 4613**

THIS AMENDMENT NO. 1 (Amendment No. 1) is made and entered into by and between the City of Chandler, an Arizona municipal corporation (City), and Mercer US, LLC (Consultant), (City and Contractor may individually be referred to as Party and collectively referred to as Parties) and made _____, 2024 (Effective Date).

RECITALS

WHEREAS, the Parties entered into an agreement conduct an ERP analysis project (Agreement); and

WHEREAS, the term of the Agreement was an estimated fourteen months from the start date agreed upon between the Parties; and

WHEREAS, the Parties wish to amend the Agreement through this Amendment to increase the Scope of Services and extend the Agreement.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

1. The recitals are accurate and are incorporated and made a part of the Agreement by this reference.
2. The Parties agree to amend the Scope of Services of the original Agreement to include the services described in Exhibit A, attached to, and made part of this Amendment by reference.
3. Section III: The term of the original Agreement is extended through March 30, 2025.
4. Section IV: The Parties agree that the fees are increased in the amount of \$453,600, for a revised total amount not to exceed \$978,640.

5. All other terms and conditions of the Agreement remain unchanged and in full force and effect. If a conflict or ambiguity arises between this Amendment No. 1 and the Agreement, the terms and conditions in this Amendment No. 1 prevail and control.

IN WITNESS WHEREOF, the Parties have entered into this Amendment on the Effective Date.

FOR THE CITY

By: _____

Its: Mayor

FOR THE CONTRACTOR

By:  _____

Its: Tanya Carpenter, Partner _____

APPROVED AS TO FORM:

By: _____
City Attorney 

ATTEST:

By: _____
City Clerk

EXHIBIT A TO AMENDMENT SCOPE OF SERVICES

Projects Overview

1. The Consultant will provide support in the following work tracks (see details below):
 - a. Proposal Review Services
 - b. Additional Big Rocks Session: Workforce Management & Historical Data Conversion
 - c. Deployment Readiness
2. Description of Consultant responsibilities: As described in more detail below under "Services to be Provided".
3. Description of city responsibilities: Provide focused ERP bids for review, provide relevant data and documents in a timely fashion as agreed upon, attend meetings/calls, review draft materials and provide feedback, as needed.
4. Period of time over which work will be performed:
Services commence upon the execution of this SOW ("Effective Date") and continue through January 31, 2025 ("Initial Term"). In order to be able to assist the Client as requested and for accounting purposes, this SOW will remain valid through March 30, 2025 or mutually agreed upon date.

Project Details

1. Project name: Proposal Review Services

Period of time over which work will be performed: Services commence on June 25, 2024, and continue through July 31, 2024 ("Initial Term"). In order to be able to assist the city as requested and for accounting purposes, this SOW will remain valid through August 30, 2025, or mutually agreed upon date.

Description of Consultant responsibilities: The Consultant will provide additional support during the selection process for the ERP Replacement at City of Chandler. Specifically, the Consultant will:

- Analyze the submitted bids of up to 6 ERP vendors for the posted RFP (*please note additional options in Optional Additions*)
- Provide a breakdown of the vendors, aligning the vendor capability by suitability for City of Chandler's RFP requirements and long-term ERP replacement goals
- Work with the City to determine no more than 3 ERP vendors to be reviewed and proceed to the next phase of the selection process (*please note additional options in Optional Additions*)
- Provide scorecard aids for review and revise as needed for demo evaluation by City of Chandler
- Deliver a report-out of observations and insights to decision-makers at City of Chandler to review and finalize vendor demo decision. Socialize to stakeholders as needed
- Prepare questions for reference checks

Services to be Provided

Phase	Consultant Services and Deliverables
Analyze Bids	<u>Activities</u> • Access/Receive bid documents from all bidders on the open RFP for ERP platforms • Create a framework including persona experiences for analyzing the bids by level of competitiveness with City of Chandler RFP requirements. Provide justification for inclusion/exclusion of each in the ongoing bid process • Create scorecard aids for committee use and review as needed for demo evaluation by City of Chandler • Work with the City to identify the top 3 vendors to be analyzed in more depth through demonstrations to the City of Chandler team and invited to proceed to the next round <u>Deliverables</u> • Analysis framework and consolidated summary of vendors' capabilities
Report Out and Advise	<u>Activities:</u> • Produce consolidated analysis in presentation format (PowerPoint) for use in decision-making meeting(s) • Attend and present results in meeting with City of Chandler RFP decision-making team • Present to other stakeholders in up to 2 additional meeting sessions as required by City of Chandler for socialization purposes <u>Deliverables</u> • Final vendor capability summary presentation materials • Backup analysis and aids leveraged for recommendation materials based on received bids

Optional Additions

- Separate HR and Finance (up to 3 each): If the City of Chandler decides to separate HR and Finance, the cost of analyzing the submitted bids for up to 3 each and recommendation of 2 each will be \$40,500. This cost will be invoiced separately.
- Additional Vendors: If more than 6 ERP vendors are identified, the cost of analyzing each additional vendor will be \$5,775 each. These costs will be invoiced separately.
- Separate HR and Finance (up to 6 each): If the City of Chandler decides to separate HR and Finance, the cost of analyzing the submitted bids for up to 6 each and recommendation of 3 each will be \$76,600. This cost will be invoiced separately.

Assumptions

This proposal assumes all required bidding materials can be extracted/shared with the Consultant team for analysis by authorized members of the City of Chandler bid team. Any needed communication with vendors will be channeled through the city Procurement Manager. Consultant

resources will require access to the City of Chandler RFP team for consultation and prioritization conversations during the Analyze Bids phase to ensure alignment.

If the city determines an alternative number of bids beyond 3 is required for the shortlist, or if a different mix of ERP and specialist solutions might need to be considered, the city will consult with the Consultant team and the Consultant will update the Read-Out materials accordingly.

2. **Project name: Additional Big Rocks Session: Workforce Management & Historical Data Conversion**

Period of time over which work will be performed: Services commence upon the execution of this SOW ("Effective Date") and continue through October 31, 2024 ("Initial Term"). In order to be able to assist the Client as requested and for accounting purposes, this SOW will remain valid through March 30 2025, or mutually agreed upon date.

Program Objectives: The objective of this project is to include two additional Big Rock Sessions focused on Workforce Management and Historical Data Conversion, Archival, and Retention Strategy. These sessions aim to enhance project success by providing the team with knowledge and skills for effective resource allocation, alignment around future state workforce management activities and planning for seamless historical data transfer. By incorporating these sessions, we aim to understand current state workforce management practice, gain on alignment on future state and ensure alignment around historical data conversion and archival.

Phase	Consultant Services and Deliverables
Big Rocks Sessions	<u>Services:</u> • Conduct and Deliver (2) Big Rocks Workshops (up to 4 hours each) to align on critical foundational decisions related to the Workforce Management and Historical Data Loads • Conduct up to 4 hours of Workforce Management SME listening sessions to expand on current understanding to scheduling & timekeeping practices <u>Deliverables:</u> • Big Rocks decision summary • Consolidated summary of findings from listening sessions • Incorporation of Big Rocks decisions into ERP implementation plan and roadmap

3. **Project name: Deployment Readiness**

Period of time over which work will be performed: Services commence upon the execution of this SOW ("Effective Date") and continue through January 31, 2025 ("Initial Term"). In order to be able to assist the Client as requested and for accounting purposes, this SOW will remain valid through March 30, 2025, or mutually agreed upon date.

Description of Consultant responsibilities: The Consultant will provide support in the following work tracks, including Governance, Resource & Sustainment Planning, Design New Service Delivery Roles & Knowledge Strategy, Process & Experience Mapping and Interface & Data Strategy. Specifically, objectives of workstream include:

- **Governance, Resource & Sustainment Planning:** The objective of this track is to begin the education process around foundational topics in ERP implementation and make some early decisions on how to run the ERP implementation program, focusing on roles, responsibilities and anticipated staffing and talent needs.
- **Process & Experience Mapping:** Capture current state experiences & opportunities for top 6 prioritized processes and enable human-centered capabilities in CoC team to continue to identify additional processes to document leveraging advisory support from the Consultant.
- **Design New Service Delivery Roles & Content Management Strategy:** Leveraging opportunities noted in process & experience mapping define future state roles to reduce hand-offs and duplication of work in prioritized processes. Create a defined Content Management Strategy to support change and establish foundation for future state content management.
- **Job Architecture & Chart of Accounts Recommendations:** Prepare CoC to understand gaps in current data and recommendations to prepare to load data to new ERP to capitalize in future phases. Review existing job architecture data and chart of accounts against best practices and future state needs through facilitated workshops. Provide recommendations on future design discussion to support deployment.
- **Interface Scope & Strategy:** Interfaces have been identified, and CoC should proactively think about what integrations will be needed in the future state and how to approach building and maintaining those integrations. Integrations are a big driver of costs for both the solution vendor as well as the solution implementer (SI) and should strategically defined for future state needs.

Services to be Provided

Phase	Consultant Services and Deliverables
Governance, Resource & Sustainment Planning	<u>Activities</u> • Governance education and best practice sharing • Governance working session (up to 4 hours) to align leadership around new ways of working to ensure resources and prioritization for ERP deployment • Scenario walking of key decisions to support program efficiency and practice new ways of working • Resource and sustainment planning sessions (up to 4 1-hour sessions) <u>Deliverables</u> • Governance model designed to support new ways of working • Scenarios documented for decision-making • Addition of success measures to Digital Vision • Program organization, work tracks, and identification of backfill needs for deployment • Recommended future state sustainment model and identification of head count & capability needs

Process & Experience Mapping	<u>Activities</u> • Kick-off to share approach and education on journey & experience mapping • Working sessions to validate and map prioritized processes: up to 12 hours of meetings <u>Deliverables</u> • Defined process mapping approach • Schedule for process documentation & validation during deployment • Experience maps for prioritized processes with identified opportunities
Design New Service Delivery Roles & Content Management Strategy	<u>Activities</u> • Conduct and Deliver Service Delivery & Content Management Strategy Workshop (up to 2 hours each) leveraging findings and opportunities from strategy work to align on recommendations for service delivery decisions & future-state content management principles • Train-the-trainer on creation of future state functional roles & responsibilities and handoffs <u>Deliverables</u> • Start, Stop, Continue for roles supporting employee facing services • Template and example of future state roles & responsibilities • Content management strategy for workforce facing content including audience scope definition and needs, communication preferences, content structure, ownership and management roles & responsibilities • Knowledge Inventory Template for use in the creation of current state knowledge inventory and categorization for future actions • Proposed rollout plan and activities required to bring Service Delivery and Content Management Strategies to life
Job Architecture & Chart of Accounts Recommendations	<u>Activities</u> • Kick-off on education focused on job architecture components in future state ERP and facilitation of Chart of Accounts opportunities identified • Data request & review for job architecture and chart of accounts (including project and programs) • 2 working sessions to review and validate data recommendations (up to 1.5 hours) <u>Deliverables</u> • Recommendations for job architecture changes to support future phase talent objectives • Recommendations for Chart of Accounts to accomplish management services objectives in future

Interface Scope & Strategy	<u>Activities</u> - Conduct and Interface Strategy Workshop (up to 2 hours) to align on interface simplification principles <u>Deliverables</u> - Recommendations on future state integration approach & scope (Note: this will be done after vendor selection)
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Summary of Fees

Proposal Review Services	
Professional Services	\$41,065
Optional Additional Proposal Review Services	
Separate HR and Finance (up to 3 each)	\$40,500
Additional Vendors (over 6)	\$5,775 each
Separate HR and Finance (up to 6 each)	\$76,600
Activation Big Rocks Support	
SOW TBD	\$27,000
Deployment Readiness	
SOW TBD	\$275,000 - \$350,000
Estimated Total	\$418,065
	Reimbursable at cost,
Travel and Other Expenses	not to exceed \$30,000

Compensation for the services will be professional fees up to the amount of \$453,600 or adjusted for total agreed upon professional fees. In addition to such compensation, the Consultant will also bill for necessary travel and other expenses related to the services. Invoices will be billed \$59,723 monthly for seven months beginning July 19, 2024, or adjusted for total agreed upon professional fees.

Travel and Expenses

Consultant resources will provide the majority of support for this engagement remotely; if in-person collaboration is required, both the Consultant and the city will approve the travel in advance.

The Consultant will follow the US General Services Administration (GSA) Travel Management Policy for all approved travel by Customer. If travel expenses should exceed the budgeted amount of \$30,000.00, the Consultant and the city will both approve the travel in advance. Invoices for such Approved Expenses must be billed at cost without additional markup, itemized as applicable, and must be accompanied by information substantiating the Approved Expense.

Subcontractors

The Consultant may need to utilize various subcontractors ("Subcontractors") in the course of its provision of the Services to assist in such tasks as printing and mailing, development of interactive tools, graphic design, etc. The city consents to the use of the Subcontractors and further acknowledges and agrees that the Consultant may provide such Subcontractors with city Confidential Information, including Work, on a confidential and a need-to-know basis for the purposes contemplated by this SOW.

Notwithstanding anything to the contrary, when providing Services to the city pursuant to this SOW, the Consultant may involve its Affiliates, from time to time, to assist in the performance of such Services.