



Issue: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA
AUTHORIZING A BUDGET AMENDMENT TO APPROPRIATE
FUNDS FOR ERP (ENTERPRISE RESOURCE PLANNING)
CONSULTATION SERVICES

Date: July 19, 2021

Submitted By: Jennifer Evans, Director of Finance

Background

During Council's Workshop, the need for a new ERP system was discussed. The current ERP system has been in place for over 10 years with increasing problems concerning functionality and customer service. Staff would like to explore other options on the market to facilitate further customer service features across all departments. Because of the complexity of such a large undertaking and the critical nature of the RFP process and vendor selection, hiring a consultant to facilitate and manage the project is key. Baker Tilley, our current Municipal Advisor, offers an ERP consultation service.

Analysis

The cost of the ERP consultation services offered by Baker Tilley is \$70,500 and represents anywhere from 7-8% of the estimated cost of a new ERP system. A scope of the services offered by Baker Tilley is attached to this memo. The needs analysis, RFP creation and vendor selection process will likely take anywhere from 5-6 months to complete; therefore, the cost of the ERP system itself will be proposed in the 2022 budget.

Recommendation

Staff recommends approval of the budget amendment to appropriate funds for an ERP consultant.



City of Nixa, MO

Enterprise resource planning
from local government specialists

July 22, 2021



July 22, 2021

Ms. Jennifer Evans, Director of Finance
City of Nixa
P.O. Box 395
715 W. Mt. Vernon
Nixa, MO 65714

Dear Ms. Evans,

Baker Tilly US, LLP ("Baker Tilly") appreciates the opportunity to continue and expand upon our mutually beneficial relationship with the City of Nixa ("the City") regarding your enterprise resource planning (ERP) system selection project.

We understand that the City requires a qualified professional consultant with proven experience in ERP projects — including overall project management, system requirements analysis, RFP development, software evaluation and selection and installation and implementation — to provide assistance in selecting a comprehensive ERP software solution.

Baker Tilly is that consultant. We have performed ERP consulting services for many local governments and will provide an effective analysis and solution to meet the City's needs. The following key factors differentiate Baker Tilly and will aid us in achieving your objectives:

- **National experience in ERP consulting.** Since 2000, we have completed more than 100 ERP software evaluations and selections, more than 50 software implementations and worked with 30 different software packages. You will benefit from our expertise in "best-of-breed," and third-party niche needs assessments, independent selection and implementation advisory services, and independent post-implementation audits of projects. This includes a deep understanding of the current public sector ERP market and available products as well as comprehensive knowledge of software infrastructure, hardware requirements, associated costs and post-implementation support.
- **Proven methodology and immediate results.** Baker Tilly's approach is centered on working with your staff to create a long-term strategy and vision for the City that not only meets today's needs but also takes future considerations into account. Your engagement team's experience in both business process redesign and system selection enables us to manage your project with a keen eye toward reducing duplicate data entry, increasing reporting and data analytics capabilities, and enabling the online transaction processing that citizens and customers want. Our extensive experience with ERP assessments also enables us to provide you with constructive suggestions for quick wins that you can implement today to improve current business processes and enhance your operations.
- **Significant experience in all areas of operations.** Although Baker Tilly has deep finance and accounting expertise, our public sector team also conduct management consulting projects in the areas of community and economic development, human capital and grants and project management. This means that we have the broad

experience needed to engage ALL the City stakeholders who will play a vital role in re-implementing your current system or selecting and implementing a new system.

- **Large firm resources with responsive client service from our local engagement office.** Baker Tilly is large enough to offer the City the professional capabilities you need, yet we have the focus of a smaller firm that ensures you receive responsive, personalized attention. Baker Tilly's partners are actively involved in every client engagement to ensure timely, responsive service and your highest level of satisfaction. You will continue to receive thoughtful strategic guidance from partners who see the "big picture" and work with you to enhance and strengthen your organization over the long term.

The City is an important client of our firm and we will treat your ERP services as a top priority project. Baker Tilly has successfully assisted governmental clients across the United States with similar ERP system selections and implementations, working with a wide range of software packages. Building on this experience, we will help you meet the goals of your project and achieve tangible outcomes for future success.

Working with an advisor, you can trust is important. With our years of experience and skilled team of professionals as well as our knowledge of the City you can rest assured that we will continue to provide exceptional service to the City. We are committed to providing you with the level of Exceptional Client Service you have come to expect from us.

This proposal details Baker Tilly's tailored approach to working with you to accomplish your objectives and exceed your expectations. If you have any questions or would like more information, please do not hesitate to contact Caitlin Humrickhouse at 312 729 8098 or Caitlin.Humrickhouse@bakertilly.com. We look forward to discussing our proposal and approach in detail.

Sincerely,

Baker Tilly US, LLP

BAKER TILLY US, LLP

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This document contains confidential material that is proprietary to Baker Tilly US, LLP, and other related entities (collectively referred to herein as Baker Tilly). The materials, ideas, and concepts contained herein are to be used exclusively to evaluate the capabilities of Baker Tilly. The confidential information and ideas herein may not be disclosed to anyone outside parties and may not be used for purposes other than the evaluation of Baker Tilly's capabilities.



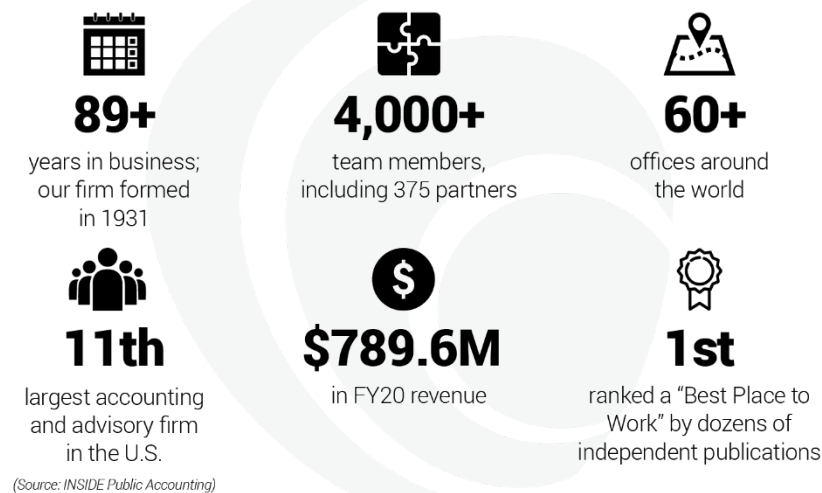
1. Firm qualifications and ERP experience

Baker Tilly's nationwide government expertise and extensive ERP consulting experience make our firm the natural choice to perform your system selection consulting services.

About Baker Tilly

Baker Tilly is a nationally recognized firm with a proven track record of serving clients nationwide. With clients located in essentially every part of the country, our locations across the U.S. enjoy a strong, positive reputation among our peers and the public. In addition, as a member of Baker Tilly International, the world's ninth-largest accountancy and business advisory network, we are able to extend our reach through trusted relationships with firms across the country and around the world.

Baker Tilly was founded in 1931 with one central objective: use our industry specialization to help our clients improve their businesses. That objective still holds true today. We will assemble an integrated team to serve the City, blending our public sector focused professionals with experienced specialists in the areas that are most important to you. This combination of financial, business and industry-specific specialization ensures you will be working with knowledgeable professionals who understand your industry, your organization and the challenges you face — and can create innovative solutions to help you overcome them. And because the City will be working with an engagement team carefully selected for this engagement, you can expect to receive consistent, efficient and Exceptional Client Service.



For nearly 90 years, Baker Tilly has understood that our business demands absolute integrity, a belief in the value of trusted relationships and a willingness to collaborate with every client. We will continue to deepen and enhance our relationship with the City as your Value Architects™.

For clients and associates, Baker Tilly is the firm to grow with. We rank eleventh of the top 15 accounting and advisory firms in the United States, according to *Accounting Today*. Baker Tilly's goal is to become America's Finest Professional Services Firm. Our growth means new geographies, new services, new influence and new opportunities to deliver exceptional results for our clients.

Relevant experience

Baker Tilly is one of the few professional services firms with a state and local government group dedicated entirely to serving public sector clients. The City will benefit from our broad knowledge of the ERP market and expertise, providing software consulting services to many governmental entities during the past 20 years.

Public sector specialization

Baker Tilly has a formalized public sector service group, with industry dedicated team members providing efficiencies and results.

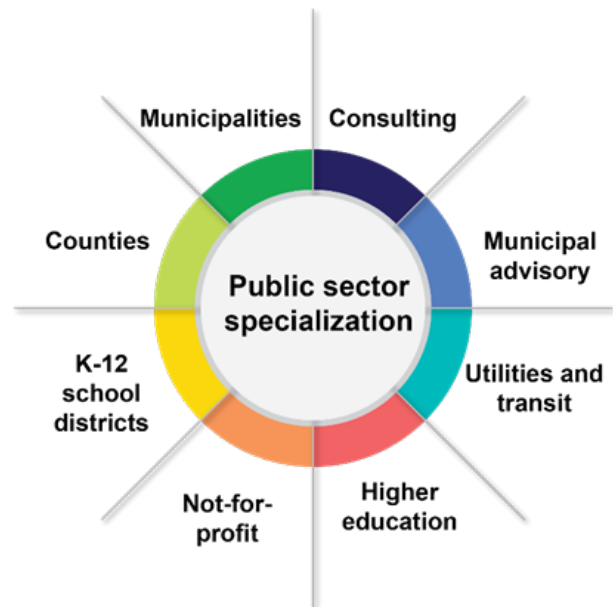
This industry specialization approach allows us to provide targeted training and continuing education to our staff, assuring you of a team with the necessary knowledge and skills to identify strengths and weaknesses of internal controls and processes as well as key indicators that are critical to your government.

Our industry-specific approach will ensure the City is working with a team that is truly dedicated to state and local governments, translating into better service and greater value.

- Our specialists keep abreast of the new developments and trends that may impact local governments and will regularly provide newsletters, trainings and industry alerts that contain updates and answers to your financial and governmental questions.
- Members of your engagement team are active in national and state organizations, participate in ongoing continuing education to obtain industry certifications and speak and author articles on industry trends.

Our dedication to government organizations is manifested in our public sector practice, a group of more than 420 professionals — including nearly 40 partners — dedicated entirely to serving governmental clients. **Our clients include more than nearly 150 counties in your region**, and our extensive experience provides us with the specialized knowledge and insight to find effective solutions.

Our public sector clients rely on our expertise to meet their specific auditing, accounting and operational needs. From helping you manage and optimize your resources to clearly and accurately reporting your funding sources and patterns, you can expect a practical approach, technical insight and a thorough understanding of the local government world to work on the City's behalf, delivering the precise services you need, when you need them.



Deep local government consulting expertise

We have established a record of successfully serving state and local governments through increasingly diverse service offerings for our municipal, county and state clients. This experience enables us to easily understand your organizational structure, processes and regulatory environment and provide you with valuable, on-target advice. Your project team members have provided consulting and advisory services to a variety of state and local government entities.

The following list includes just some of the clients the firm and members of our proposed project team have served on relevant consulting projects. We can provide contact information for any of these entities on request.

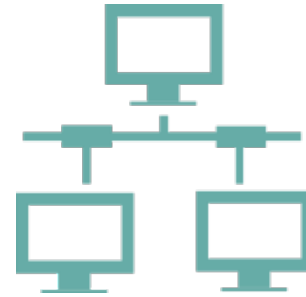
- | | | |
|---------------------------|--|--------------------------------------|
| – City of Arlington, TX | – Town of Addison, TX | – Chippewa County, WI |
| – City of Baytown, TX | – City of Milwaukee, WI | – Colorado Springs Utilities, CO |
| – City of Burbank, CA | – City of Minneapolis, MN | – Dane County, WI |
| – City of Carlsbad, CA | – City of Racine, WI | – Elkhart County, IN |
| – City of Carrollton, TX | – City of Rochester, NY | – Florida Municipal Power Agency, FL |
| – City of Dearborn, MN | – City of St. Paul, MN | – Hennepin County, MN |
| – City of Denton, TX | – City of Southlake, TX | – Milwaukee County, WI |
| – City of Eagan, MN | – City of Valdez, AK | – Portage County, WI |
| – City of Fond du Lac, WI | – City of Warsaw, IN | – San Mateo County, CA |
| – City of Fort Worth, TX | – City of Wauwatosa, WI | – Scott County, IA |
| – City of Frisco, TX | – City of Wilmington, DE | – Sheboygan County, WI |
| – City of Goshen, IN | – Burbank Water and Power, CA | – State of California |
| – City of Green Bay, WI | – Bexar County, TX | – State of Indiana |
| – City of Logansport, IN | – Central Brown County Water Authority, WI | |
| – City of Madison, WI | | |

Expertise in ERP software consulting services

The City will benefit from Baker Tilly's depth of experience in providing ERP consulting services to governmental clients. Created in 1969, our public sector group has served local governments for 50 years. Since 1998, we have also provided financial management and strategy consulting services to counties, municipalities and other public entities.

For the past 20 years, we have consulted clients on ERP system selection and implementation. During this time, we have completed more than 100 software evaluations and more than 50 software implementations, each with detailed scoping, process improvements and project planning deliverables.

Baker Tilly has in-depth knowledge of all well-established software vendors providing ERP solutions to the public sector. Our team regularly attends vendor demonstrations to stay current on each system's capabilities. Based on our deep understanding of the ERP marketplace, we have developed an agile approach to ERP system selection projects.



Comparable projects

We are experienced and knowledgeable about all of the leading products serving the municipal market. We have evaluated, selected and/or implemented most, if not all, of the integrated financial and operational solutions supporting city government, including both Tier 1 products spanning multiple industry segments – such as **Oracle**, **PeopleSoft**, **SAP** and **Lawson** - and purpose-built Tier 2 integrated local government software suites such as **New World LOGOS**, **Tyler MUNIS** and **InCode**, **SunGard Naviline** and **ONESolution**, along with others.

Our consulting work has produced positive results for our clients. A sample list of satisfied clients of our ERP software consulting services includes:

- City of East Chicago, IN
- City of Highland Park, IL
- City of Lake Forest, IL
- City of Logansport, IN
- City of Rolling Meadows, IL
- City of Green Bay, WI
- City of Madison, WI
- City of Milwaukee, WI
- City of Burbank and Burbank Water & Power, CA
- City of Charlotte, NC
- City of Eagan, MN
- City of Valdez, AK
- Eugene Water and Electric Board, WA
- Farmington Area Public Schools, MN
- Local Government Information Systems (LOGIS), MN
- Ogden City Corporation, UT
- St. Tammany Parish, LA

2. Past engagements

References

We encourage you to connect with the clients listed below to learn more about the value of their relationship with Baker Tilly. Each will have a different perspective you may find valuable as you think about your needs.



Client	City of Rolling Meadows, Illinois
Contact	Melissa Gallagher, Finance Director
Phone email	847 870 9041 gallagherm@cityrm.org
Scope of work	ERP needs assessment, system selection and implementation
Consulting hours	1,500
Date completed	2020
Client	Ascension Parish, Louisiana
Contact	Brandon O'Deay, IT Director
Phone email	225 450 1050 bodeay@apgov.us
Scope of work	ERP System Selection and implementation remediation
Consulting hours	1,200
Date completed	2019
Client	City of Lake Forest, Illinois
Contact	Elizabeth Holleb, Director of IT and Finance
Phone email	847 810 3612 hollebe@cityoflakeforest.com
Scope of work	ERP System Selection
Consulting hours	800
Date completed	2019


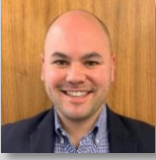
3. Project team

Our specialized public sector consulting team has decades of experience providing the services the City is seeking and is well equipped to meet your objectives with insights gained from previous similar projects.

Key personnel aligned with your needs

The team members we are proposing for your project have worked on numerous projects similar to the services the City is seeking. The table below introduces your project team.

Team member	Role and qualifications
<p>Vicki Vogel-Hellenbrand, CPA Partner-in-Charge</p> 	<p>Your consulting team will be led by Vicki Vogel-Hellenbrand, the firmwide leader of our firm's public sector practice. She joined Baker Tilly in 1991 and her experience includes providing consulting services related to various government functions and operational issues, including software selection and implementation.</p> <p>Vicki will serve in the role of relationship partner for the City, providing independent oversight of the quality and completeness of the project team's progress and deliverables.</p>
<p>Caitlin M. Humrickhouse, MPA, SWP Senior Project Manager</p> 	<p>Caitlin Humrickhouse has eight years of experience providing management consulting services with a focus on resource optimization, assisting governmental entities in their efforts to ensure the resources available (people, processes and technology) are utilized in the most efficient manner. She has served as project manager on numerous governmental ERP projects including all of the projects listed in our references section.</p> <p>Caitlin will provide project oversight, participate in project meetings, and support project deliverable development.</p>

Team member	Role and qualifications
<p>Tiffany McCoy, CFSA, CFOE Senior Consultant</p> 	<p>Tiffany specializes in management and risk consulting projects, including operational and organizational assessments, risk assessment and internal audit, business process reviews, and system selection and implementation services. Tiffany has specific expertise in IT with experience in conducting IT risk assessments, IT governance assessments, IT capital planning assessments, disaster recovery plan assessments and is familiar with different IT control frameworks.</p>
<p>Christopher Strom, MPA Senior Consultant</p> 	<p>Christopher has first-hand public sector experience in system implementation, information technology, parks and recreation, public works, local government administration, finance, community development, public safety and capital project planning. His areas of expertise include system implementations and operational and organizational reviews.</p>

4. Project approach and methodology

Our holistic approach to system selection and implementation projects not only meets your technology needs, but your strategic business goals as well, resulting in a more viable long-term solution for the City.

Achieving your objectives

The City requires a qualified professional consultant with proven experience in software projects — including overall project management, system requirements analysis, RFP development, software evaluation and selection — to provide assistance in selecting a comprehensive software solution. **Baker Tilly is that consultant. We have performed consulting services for many local governments and will provide an effective analysis and solution to meet the City's needs.**

In addition to consulting engagements, our public sector group provides hundreds of thousands of hours of audit services annually to state and local governments across the country. Our team is able to draw on the knowledge of these subject-matter specialists to determine best practices in all components of a government's business processes and internal control needs.

Baker Tilly's extensive experience with software assessments, vendor selection assistance and implementation support allows us to provide the City with unbiased advice and recommendations, enabling you to choose the best system for your needs. We look forward to collaborating with you and are dedicated to helping you select an integrated solution that provides long-term reliability, improved functionality and the right technology to achieve your goals.

Implementation and project management methodology and approach

Baker Tilly's software philosophy and approach

Baker Tilly understands how difficult choosing a path for a system can be, as these types of projects are about much more than just technology. The motivations for procuring an ERP platform are just as varied as its functionality. Because of our vast experience with public sector agencies and operations, Baker Tilly consultants work to understand these motivations and ensure their integration into the overall assessment and selection process.

Because any system selection is likely to be the chosen solution for the City for some time, we believe that focusing on your long-term goals and objectives will allow us to guide you in making a decision that is guaranteed to survive. Throughout this proposal, you will notice the following differentiators of our approach:

- We will help you identify **process improvements and cost-saving methods that can be implemented independent of the system selection**, allowing the City to achieve tangible results earlier in the process and prior to actual implementation
- We will turn our passion for effective government into a solid return on your investment
- We will help you identify critical factors that position you for success
- We will assist you in identifying the “right size” system to address your needs, helping you avoid spending more than you need on functionality that you are unlikely to use

The motivations for procuring an ERP platform are just as varied as its functionality. Based on our vast experience with public sector agencies and operations, Baker Tilly consultants work to understand these motivations and ensure their integration into the overall assessment and selection process.

Phase 1 – Project coordination and initiation

Our staff members pride themselves on delivering results to you on time and on budget, with minimal risk to the City. Baker Tilly's project management philosophy is one that stresses planning and communication. It is our practice to make sure the City project manager, executive sponsor and steering committee are informed regularly of the project's status and any issues that might impede progress toward specific goals.

Our first major activity will be a kick-off meeting with the City's project manager and other stakeholders to thoroughly discuss issues of concern and gain insights into any identified areas that will drive the work plan focus. During this meeting, we will also finalize the project goals and timeline, reports to be delivered, distribution of those reports, fieldwork coordination and communication plan.

Our communication, at a minimum, will consist of the following:

Communication tool	Bi-weekly reporting	Other reporting and information
Project kick-off meeting		✓
Project work plan		✓
Communication plan		✓
Progress report via phone conference or emailed status report	✓	
Project issues log (as needed)		✓
Ad hoc meetings		✓
Information request logs		✓
Draft report presentation and discussion *		✓
Final report presentation		✓
Project close meeting		✓

* Conducted remotely via conference call

We anticipate frequent meetings with the City's project manager and team where any urgent matters and other updates will be a point of detailed discussion. The following table details our project management approach:

Phase 1 objective: Ensure project meets expectations and is delivered within agreed-to timeline

Major activities

- Confirmation of project scope
- Integral involvement of project advisors in finalizing a detailed work plan
- Support and recommendations in establishing project organizational structure that defines staff roles and responsibilities
- Continual monitoring of the work plan and established project deadlines to facilitate timely and comprehensive completion of the project
- Thorough planning discussions to ensure optimal assignment of tasks to project members to control thorough and timely completion of tasks
- Regular status meetings to review project progress, issues, risks and resources
- Pre-established points of internal review for all project phases and deliverables
- Quality assurance reviews

Deliverables

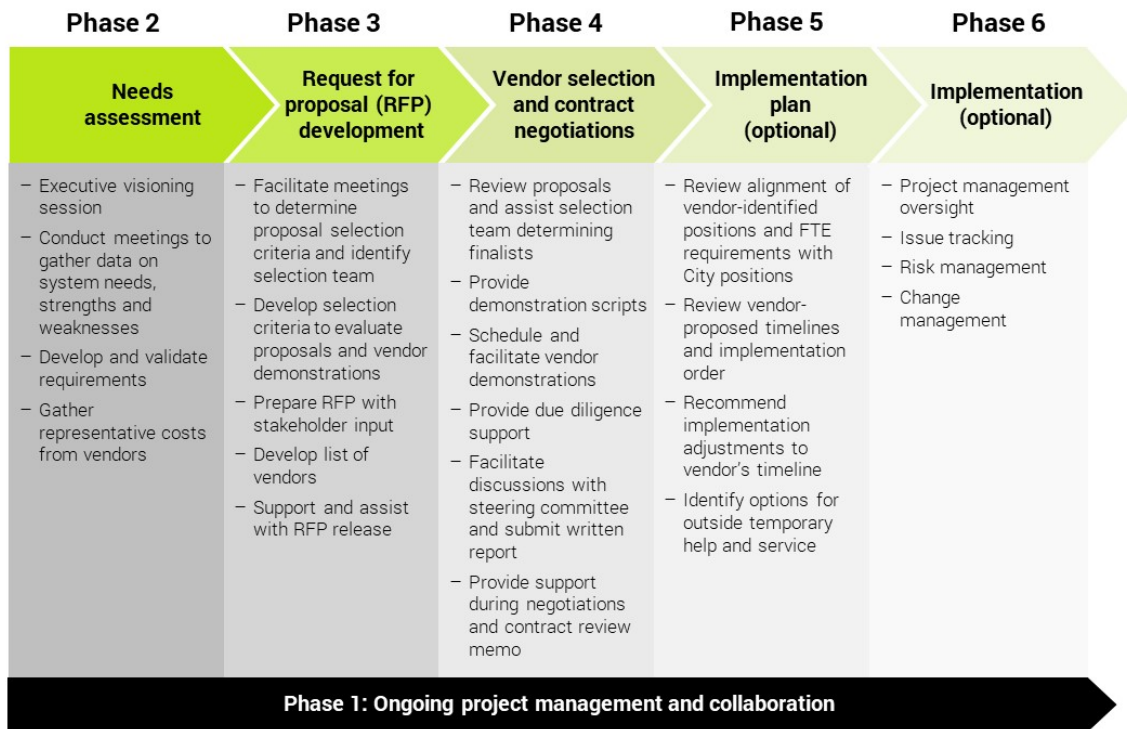
- Project kick-off meeting
- Detailed work plan
- Project calendar and interview list
- Project status reports, the frequency of which will be mutually agreed at the outset of the project

Assumptions

- The City will appoint a project liaison to coordinate with the Baker Tilly project manager on resource and information needs
- Key stakeholders are available for project initiation activities such as project kick-off and status updates
- The City will provide resources to assist with coordination activities such as scheduling, gathering contact information, and securing project team space and technical resources
- When in need of data, information or records, Baker Tilly consultants will make formal data requests and provide the City with sufficient time to respond

This section describes the phases of Baker Tilly’s proven software methodology. We present this as an end-to-end approach to the development of requirement specifications and ERP selection and the best way to ensure long-term success for the City.

These phases are summarized in the following diagram. Phases 1 through 4 of our approach are included in our fee proposal. Our team is also available to support Phases 5 and 6 if desired by the City.



5. Fee Proposal

Value for fees

We have prepared a fee estimate for CMAP based on the needs and objectives you have shared and our experience conducting similar engagements with local government clients.

Phase/activity	Fees
Phase 1- Project Management and Kickoff	\$5,000
Phase 2 – System needs assessment	\$25,000
Phase 3 – Request for Proposal development	\$10,000
Phase 4 – Vendor selection and contract negotiation	\$25,000
Expenses: <i>We will only bill the City for expenses actually incurred. Our assumption includes 3 onsite trips. We are happy to work with the City to reduce these trips and perform more work remotely to reduce travel expenses.</i>	\$5,500
Total	\$70,500

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA AMENDING THE 2021 ANNUAL BUDGET TO APPROPRIATE FUNDING FOR ENTERPRISE RESOURCE PLANNING CONSULTATION SERVICES.

WHEREAS during the 2021 Council Workshop, the need for a new Enterprise Resource Planning (“ERP”) system was discussed; and

WHEREAS hiring Baker Tilly, the City’s current financial advisor, to provide consultation and management services of the solicitation process to select an ERP vender is preferable given the complexity and critical nature of such a process; and

WHEREAS Section 67.040 RSMo. provides that after a budget has been approved no increase in the revenues or expenditures from any fund shall be made unless the governing body adopts a measure setting forth the facts and reasons making the increase necessary and authorizing the increase; and

WHEREAS Section 8.7 of the City Charter authorizes the City Council to amend budgeted revenues and expenditures upon the request of the City Administrator; and

WHEREAS the City Administrator has requested a budget amendment in the amount of \$70,500.00 for the purposes contemplated by this Ordinance; and

WHEREAS the City Council desires to amend the City’s 2021 budget for the purposes identified herein.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NIXA, AS FOLLOWS, THAT:

SECTION 1: The City of Nixa’s 2021 Annual Budget is hereby amended in the accounts and the amounts as shown on “Council Bill Exhibit A,” which is attached hereto and incorporated herein by this reference.

SECTION 2: City Council finds that the budget amendment enacted by this Ordinance has been recommended by the City Administrator. The City Administrator is directed to cause the appropriate accounting entries to be made in the books and records of the City to reflect the budget amendment enacted by this Ordinance.

SECTION 3: This Ordinance shall be in full force and effect from and after its final passage by the City Council and after its approval by the Mayor, subject to the provisions of section 3.11(g) of the City Charter.

[Remainder of page intentionally left blank. Signatures follow on the next page.]

ADOPTED BY THE COUNCIL OF THE CITY OF NIXA THIS 23RD DAY OF AUGUST
2021.

ATTEST:

CITY CLERK

PRESIDING OFFICER

APPROVED BY THE MAYOR THIS _____ DAY OF _____ 2021.

ATTEST:

CITY CLERK

MAYOR

APPROVED AS TO FORM:

CITY ATTORNEY

City of Nixa, MO
Budget Amendment

<u>Budget Amendment Amount</u>	<u>Fund</u>	<u>G/L Description</u>	<u>G/L Line #</u>	<u>Revenue Source</u>
\$14,100	General	Professional Fees	11-100-5160000	Current
\$14,100	Electric	Professional Fees	01-700-5160000	Current
\$14,100	Water	Professional Fees	02-800-5160000	Current
\$14,100	Wastewater	Professional Fees	03-900-5160000	Current
\$14,100	Streets	Professional Fees	13-300-5160000	Current
\$70,500	TOTAL			

Explanation: To amend the current budget of the City of Nixa to appropriate funds for ERP consultation services

This proposed Budget Amendment has been approved and requested by the City Administrator, pursuant to City Charter section 8.7.

Jimmy Liles, City Administrator

Authorized by Passage of Ordinance No. _____

Date of Passage: _____