

Committee Report

Management Committee



Committee Meeting Date: July 12, 2023

For the Metropolitan Council: July 26, 2023

Business Item: 2023-152

Peoplesoft Administration Support Contract 22P147

Proposed Action

Authorize the Regional Administrator to negotiate and execute contract 22P147 with CherryRoad Technologies, Inc. for the support of Peoplesoft systems for a not-to-exceed contract value of \$750,000.

Summary of Management Committee Discussion/Questions

Chief Information Officer Craig Bantz of the Information Services (IS) Department presented the item. He explained the critical role of the Enterprise Resource Planning System and need for Peoplesoft Administration Support. Historical information was provided on support staffing of this software. IS proposes a cost savings approach to ensure reliable support by utilizing staff augmentation consulting services. Answers were provided to clarifying questions asked by committee members.

Motion by Lilligren, seconded by Cederberg. Motion carried.



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Peoplesoft Administration Support Contract 22P147

District(s), Member(s):	All
Policy/Legal Reference:	FM 14-2, Expenditures for Procurement of Goods, Services, and Real Estate
Staff Prepared/Presented:	Craig Bantz, Chief Information Officer, Phone 651-602-1443
Division/Department:	Regional Administration, Information Services

Proposed Action

Authorize the Regional Administrator to negotiate and execute contract 22P147 with CherryRoad Technologies, Inc. for the support of Peoplesoft systems for a not-to-exceed contract value of \$750,000.

Background

The Council's primary Enterprise Resource Planning (ERP) system is Oracle PeopleSoft. PeopleSoft is the Council's primary Human Resource Management System (HRMS) and financial management system. The Information Services department operates PeopleSoft for the Council and has historically maintained two senior full time technical positions to administrator Peoplesoft. Each of these roles is responsible for the primary support of the HRMS and Financials systems respectively. The Information Services department has determined that outsourcing PeopleSoft administration is the best strategy for the Council for the following reasons.

- Peoplesoft administration is critical for the effective and secure operation of Peoplesoft Financials and HRMS. Key administration duties include operational maintenance of the software systems including system upgrades, installation of security patches, tax, and regulatory updates.
- The role for the Peoplesoft HRMS Administrator has been vacant for the past 18 months after a retirement that occurred in December 2021. Attempts to fill the vacant HRMS position over a six-month period resulted in no qualified applicants applying for the role. A contracted consultant has been filling the role as a temporary stop gap measure since January 2022. The current individual supporting Peoplesoft Financials retirement is forthcoming. The alignment of concurrent retirements enables the Council to consider alternative approaches to meeting PeopleSoft administration needs.
- The market for qualified and experienced Peoplesoft administrators is small and extremely competitive. Council has been unsuccessful in attracting applicants. Even if candidates could be successfully hired with only a single person serving in each administration role the Council would have insufficient redundancy/backup given the criticality of the respective ERP systems.

- The current stop gap contractor is renewed every 90 days with no commitment to renew presenting the potential with limited notice the Council could be without critical ERP administration support.
- In order to establish a long term more resilient and cost-effective ERP administration solution for the Council Information Services investigated an outsourced support model and determined such a model would both provider greater resiliency and be more cost effective than continuing to insource ERP administration. Outsource ERP administration is a common model successfully implemented in multiple state and local government organizations within Minnesota.

In partnership with Procurement, Information Services issued a Request for Proposals (RFP) on December 9, 2022. On December 20, 2022, a pre-proposal meeting was hosted by Council staff that outlined the solicitation requirements, discussed project specifications and responded to plan holder inquiries. There were thirty registered document holders for this project. On January 11, 2023, the Council received ten proposals to be evaluated for the consideration of award.

Rationale

Contract 22P147 provides the Council with outsource Peoplesoft HRMS and finance system administration and support services. The initial value of the contract will be \$250,000 with two, twelve-month options to extend for a total value of \$750,000 over a three-year period. The execution of a professional services contract exceeding 500,000 or more requires Council approval.

The evaluation panel was formed with expertise and knowledge from an array of staff disciplines. The following criteria was used in the evaluation of proposals: proposer quality, proposer qualifications, experience, service delivery plan, key project personnel and price.

The evaluation panel determined a short list of three vendors with whom they wanted to interview. Evaluators considered the initial proposal, clarifications, and the interview ratings in determining that CherryRoad Technologies, Inc. was the most advantageous to the Council, given its offerings of service and competitive pricing.

Thrive Lens Analysis

Professional PeopleSoft support services advances the Thrive outcomes of Stewardship and Sustainability by ensuring reliability, resilience, security, and cost-effectiveness of the Council's Enterprise Resource Planning system PeopleSoft which is critical to the Councils daily efficient operation.

Funding

Peoplesoft Administration Services are funded through the Council's costs allocation process and are included in the Information Services operating budget starting in the 2023 fiscal year using local funds.

Small Business Inclusion

The Office of Equity & Equal Opportunity (OEEO) thoroughly reviewed this procurement for Metropolitan Council Underutilized Business (MCUB) opportunities in accordance with applicable state laws and regulations as well as contract specifications. Upon conclusion of OEEO's research and analysis, no MCUB goal was set.