Board Decision
Amended Resolution Authorizing Purchase of Software System

September 1, 2010

Summary

Adopt an amended resolution to authorize acquisition of the Epicor 9 software system, in lieu of the resolution adopted in July.

Background

- At the July board meeting, the board authorized the executive director to negotiate and sign “a contract to pay up to $1.57 million to purchase and implement the Epicor 9 software solution.”
- In doing so, the various “whereas” clauses that normally accompany board resolutions were omitted.

Discussion

- Staff has prepared a substitute resolution that retains the authorization adopted by the board in July, but includes “whereas” clauses explaining the rationale for the authorization
- The resolution reflects the points that the board discussed in July by identifying a software solution, not an implementation provider; and providing a pay-back estimate (i.e., how long we expect it to take to recover the cost of purchasing Epicor 9).

Recommendation

Approve the following resolution amending resolution #558, Authorizing a Contract for the Acquisition of the Epicor 9 Software Solution.

AMENDED RESOLUTION 558

AUTHORIZING PURCHASE AND IMPLEMENTATION OF EPICOR 9 SOFTWARE SOLUTION

WHEREAS:

1. **Energy Trust's original information technology (IT) systems have operated since the organization's beginning, and were scaled for a smaller organization. Those systems now support 300 users, maintain 4.8 million utility accounts, 5,000 trade and program ally files, and manage five terabytes of data.**
2. **In 2007, Energy Trust commissioned an independent study of IT and data management systems. The evaluation recommended that Energy Trust replace or retool all elements of these systems.**
3. **In December 2009, the board authorized staff to develop a Request for Proposal (RFP) for options to replace these systems with an integrated solution. The RFP was issued March 19, 2010.**
4. **To oversee the project, a Steering Committee was composed of senior staff, three outside experts, and board members.**
5. **A selection committee composed of senior Energy Trust managers and two outside experts reviewed and ranked the proposals. Epicor 9 emerged unanimously as the top choice, the best combination of functional fit, price, and long-term value for Energy Trust needs.**
6. **Based on Epicor 9's high ranking, the selection committee conducted a "project design" session to better detail the approach, deliverables, schedule, and costs.**
7. **The purchase and implementation contract amount for an Epicor 9 solution is still under discussion, but will not exceed $1.57 million.**
8. **The Epicor 9 solution's total ten-year cost of ownership was the second lowest-cost option.**
9. **Staff estimates the two-year project budget to be approximately $3.7 million, considering training, staff backfill, project management and other contingencies.**
10. **Energy Trust estimates it will recover the cost of purchasing and implementing Epicor 9 within four to five years, primarily by avoiding the cost of adding staff to support program growth with Energy Trust's current systems.**

It is therefore RESOLVED that the Board of Directors of Energy Trust of Oregon, Inc. authorize the Executive Director to negotiate and sign ~~a~~ contracts to pay up to $1.57 million to purchase and implement the Epicor 9 software solution.

Moved by: Seconded by:

Vote: In favor: Abstained: