



THE CITY OF SAN DIEGO
PUBLIC UTILITIES
DEPARTMENT



Presentation to NR&C Committee

Item 5B

Mid-Year Transfer for Water and Sewer Funds for the CIS ERP Implementation Project

April 20, 2011





REQUESTED ACTION

- Support department's request to transfer funds in the amount of \$4,940,780 to the CIS ERP Implementation Project also known as Customer Care Solutions (CCS) project.



BACKGROUND

- The City of San Diego purchased SAP Enterprise Resource Planning (ERP) Core Components software in 2007.
- Public Utilities is implementing an integrated, real-time, enterprise customer information and billing system with SAP Industry Solution – Utilities modules.
- Deloitte Consulting LLP is the City's prime system integrator and project partner for this effort.



PROJECT GOALS AND OBJECTIVES

- Build upon the City's enterprise management strategies, maximize existing infrastructure, lower cost of ownership.
- Implement fully-functioning billing system; customer payment flexibility and enhanced self-service options.
- Provide long-term stability of the customer information, business critical interfaces, and infrastructure.
- Limit customization, focus on process improvements with measurable business results.
- Transform business processes based upon best practice; maximize automation.
- Develop a business intelligence platform that provides timely and accurate information/analysis to end-users.



CURRENT PROJECT TIMELINE



- **1. April 1, 2010 - April 30, 2010**
 - Setting up the project space, team, systems and procedures
- **2. May 1, 2010 - August 31, 2010**
 - Designing the new system and processes
- **3. September 1, 2010 – May 1, 2011**
 - Configuring and customizing SAP followed by comprehensive testing
- **4. May 2, 2011 – July 04, 2011**
 - Training end users, and converting legacy data to SAP
- **5. July 5, 2011 - August 31, 2011**
 - *Go Live!*
 - Post *Go Live!* support and system performance monitoring



ACCELERATED GO-LIVE DATE

- Original multi-year project plan/budget was based on August 31, 2011 go-live.
- Project ahead of schedule, early go-live now targeted for July 5, 2011.
- With accelerated schedule, certain milestones planned for FY 2012 will now be completed (and the associated expense incurred) in FY 2011.



FISCAL IMPACT

- Requesting a transfer of funds in the amount of \$4,940,780 to the CIS ERP project for the purpose of implementing the CCS system.
- \$2,470,390 from the Water Utilities Operating Budget.
- \$2,470,390 from the Sewer Operating Budget.
- FY 2012 funding for project will be reduced by an equal amount resulting in a net change in total project cost of \$0.



REQUESTED ACTION

- Support the department's request to transfer funds in the amount of \$4,940,780 to the CIS ERP Implementation Project also known as Customer Care Solutions (CCS) project.
- \$2,470,390 of this transfer is from the Water Utilities Operating Budget and \$2,470,390 is from the Sewer Operating Budget.