



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

9-6

August 18, 1998

**To:** Board of Directors (Engineering and Operations Committee--Information)  
(Budget and Finance Committee--Information)  
(Information Systems Ad Hoc Committee--Information)

**From:** *for* General Manager

**Submitted by:** David C. Edwards  
*for* Director, Information Technology

*[Handwritten signature: Edward C. Edwards]*  
*[Handwritten signature: K. Sommerhelle]*

**Subject:** Status Report on Phase One of the Information Systems Strategic Plan ("ISSP")  
as of June 30, 1998

**RECOMMENDATION(S)**

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For information only.

**EXECUTIVE SUMMARY**

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On November 9, 1993, the Board authorized an increase in Appropriation No. 634 to commence Phase One of the Information Systems Strategic Plan to implement 19 key business applications. The Board also approved an increase to Appropriation No. 099 for related operating equipment expenditures. While the bulk of the core Phase One business systems were implemented in April 1995, development has continued on certain applications since that date. Oversight of the Phase One Program was conducted by a Steering Committee.

On August 20, 1996, the ISSP Phase One Program Steering Committee met for the final time. At that time it was decided that any future activity reports or status updates for ongoing Phase One Program activities (including the Phase One Human Resources and Health, Safety & Environmental system upgrade projects) would be reported to the Board's Information Systems Ad Hoc Committee after review by the internally staffed Information Technology Committee (ITC). The ITC was recently replaced by the newly created Information Technology Governance Council (ITGC).

The program management structure for Phase One requires that quarterly status reports be submitted to your Board throughout the duration of the program. This quarterly status report contains activities and financial data covering the fourth quarter of Fiscal Year 1997/98 through June 30, 1998.

During this period, key accomplishments include implementation of the PeopleSoft Time & Labor (T&L) system for timekeeping and decommissioning of the IBM mainframe computer.

Attachment "A" is the **Program Cost Report** which shows the balance of the Capital Appropriation and program costs as of June 30, 1998.

Attachment "B" is the **Project Cost Report** which shows project balances as of June 30, 1998.

## **DETAILED REPORT**

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### **I. PROGRESS HIGHLIGHTS IN THIS PERIOD**

Staff conducted parallel testing of the payroll systems by having Time Recorders input timekeeping information into both the existing mainframe based Electronic Timekeeping System (ETS) and the new T&L system. In June 1998 the old ETS system was shut down and the new T&L system was implemented.

### **II. MAJOR MILESTONES**

#### **COMPLETED THIS PERIOD**

The T&L system was successfully implemented. The IBM mainframe computer is no longer being used for any production systems and is being sold.

#### **IN PROCESS**

The PeopleSoft project team to begin implementation strategies to accommodate the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), a part of the Benefits Administration module of the PeopleSoft system. This module will help ensure that Metropolitan is in compliance with COBRA. The Act requires organizations with twenty or more employees to offer the continuation of group health benefits to employees (and covered dependents) upon experiencing a qualifying event, such as termination of employment.

### **III. FUTURE OBJECTIVES**

#### **HUMAN RESOURCES SYSTEMS:**

Group security features will be added to the T&L system with the pay period commencing August 9, 1998. This will restrict Recorders and Approvers from entering or approving time for employees other than those who are assigned to their respective group(s).

The Staffing & Planning and Benefits Administration modules will be implemented by the end of August 1998. The Benefits Administration module will be used for open enrollment of all employee benefits commencing September 1, 1998.

The cost to complete these projects will be approximately \$146,000.

**HEALTH, SAFETY & ENVIRONMENTAL SYSTEMS:**

The Health, Safety and Environmental (HSE) project team will commence system implementation activities in late summer of 1998. Full implementation of the Health, Safety and Environmental (HSE) system expected by late fall 1999, at an approximate cost of \$1.5 million.

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Attachment(s)

Attachment "A" to Board Letter 9-6  
Information Technology Service Company  
August 18, 1998

**TABLE 1 -- ISSP Program Status as of June 30, 1998**

<b>ISSP APPROPRIATION SUMMARY</b>		
	<b>ISSP Capital Program (634)</b>	<b>Operating Equipment (099)</b>
Original Appropriation (Phase Zero)	\$5,489,783	\$73,800
1st Revision - Phase Zero	\$200,000	---
2nd Revision - Phase One	\$21,100,000	\$2,100,000
<b>TOTAL ISSP FUNDING</b>	<b>\$26,789,783</b>	<b>\$2,173,800</b>
Total Program Costs through 6/30/98	\$23,603,398	\$2,173,800
<b>AVAILABLE BALANCE</b>	<b>\$3,186,385</b>	<b>\$ 0</b>

**TABLE 2 -- ISSP Capital Program Costs Summary**

<b>ISSP COST SUMMARY (Appropriation 634)</b>					
	<b>Final Phase Zero Costs</b>	<b>Phase One Costs</b>			<b>Total Program Costs</b>
		<b>Phase One Costs Thru 3/31/98</b>	<b>Incurred During Quarter Ended 6/30/98</b>	<b>Total Phase One Costs To Date</b>	<b>Total Appropriation Costs To Date</b>
<b>Total ISSP Appropriation</b>					<b>\$26,789,783</b>
<b>Labor</b>	\$524,519	\$2,684,606	\$76,991	\$2,761,597	<b>\$3,286,116</b>
<b>Materials, Supplies, Interest &amp; Incidentals (incl. Software)</b>	\$551,303	\$5,031,025	\$566	\$5,031,591	<b>\$5,581,894</b>
<b>Professional Services</b>	\$4,583,521	\$10,084,796	\$66,071	\$10,150,867	<b>\$14,734,388</b>
<b>Combined Totals</b>	<b>\$5,659,343</b>	<b>\$17,800,427</b>	<b>\$143,627</b>	<b>\$17,944,055</b>	<b>\$23,603,398</b>
<b>Available Balance</b>					<b>\$3,186,385</b>

## ISSP PHASE ONE PROJECT STATUS REPORT

PROJECT Appropriation 634 (Phase 1 only)	ORIGINAL BUDGET	ACTUALS TO DATE (*)	STATUS
Program Office	\$ 3,900,000	\$ 3,602,915	ONGOING
Software	\$ 3,985,000	\$ 4,196,987	ONGOING
Technology	\$ 2,100,000	\$ 2,005,043	COMPLETE
HS&E	\$ 2,831,000	\$ 459,283	PENDING
Materials Management	\$ 2,278,000	\$ 1,434,418	COMPLETE
H/R, Payroll & Medical	\$ 2,580,000	\$ 3,343,399	ONGOING
Finance	\$ 3,106,000	\$ 2,270,756	COMPLETE
Asset Tracking	\$ 320,000	\$ 631,253	COMPLETE
<b><i>APPROPRIATION 634 SUB-TOTAL:</i></b>	<b><i>\$21,100,000</i></b>	<b><i>\$17,944,053</i></b>	
<b>Appropriation 099 (Phase 1 only)</b>			
Hardware	\$ 2,100,000	\$ 2,100,000	
<b><i>TOTAL:</i></b>	<b><i>\$23,200,000</i></b>	<b><i>\$20,044,053</i></b>	

(\*Actuals as of June 30, 1998)