



Legislation Details (With Text)

**File #:** O-233-19      **Version:** 1      **Name:**  
**Type:** Ordinance      **Status:** Approved  
**File created:** 4/29/2019      **In control:** Information & Technology Department  
**On agenda:** 5/14/2019      **Final action:** 5/14/2019

**Title:** Authorizing the mayor to enter into a 29-month contract with the IBM Corp. for SAP hosting and application services with the Department of Finance and Department of Public Utilities with the option to renew for an additional two years; waiving the competitive bidding requirements of T.M.C. 187; authorizing an expenditure of an amount not to exceed \$633,165 from the General Fund and an expenditure of an amount not to exceed \$633,165 from Utility Administrative Services Fund ; and declaring an emergency.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Audio: Agenda Review 5/7/2019, 2. Audio: City Council 5/14/2019

Date	Ver.	Action By	Action	Result
5/14/2019	1	City Council	Dispense with the rules of Council requiring...	Pass
5/14/2019	1	City Council	declare emergency	Pass
5/14/2019	1	City Council	passage	Pass

DPU051419IBMHOSTINGANDAPPLICATIONSERVICES  
 Department of Public Utilities, Department of Finance  
 Anne Bennett (x1493), Ed Moore (x1845), Tom Skrobola (x1648)  
 (Revised)

**Authorizing the mayor to enter into a 29-month contract with the IBM Corp. for SAP hosting and application services with the Department of Finance and Department of Public Utilities with the option to renew for an additional two years; waiving the competitive bidding requirements of T.M.C. 187; authorizing an expenditure of an amount not to exceed \$633,165 from the General Fund and an expenditure of an amount not to exceed \$633,165 from Utility Administrative Services Fund ; and declaring an emergency.**

**SUMMARY & BACKGROUND:**

The Department of Finance and the Department of Public Utilities combined their SAP Hosting requirements within ordinance 366-16. This ordinance authorizes the waiver of competitive bidding and the authority to contract with IBM Corp for a two-year period with the option to renew for an additional two years. Under the new contract, the first five months would be a cost of \$33,906 per month while the remaining 24 months would be at a cost of \$45,700 per month. The renewal option would be at the \$45,700 per month rate. The costs would be evenly split between the departments of Finance and Public Utilities.

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That the mayor is authorized to enter into a 29-month with IBM Corp. for the provision of

SAP hosting and application services with an option to renew for an additional two years.

SECTION 2. That the competitive procurement requirements of Toledo Municipal Code Chapter 187 are waived for the reason that the Council of the City of Toledo finds that it is in the best interest of the City to ensure uninterrupted SAP hosting services during critical upgrades and transition to new software to the Departments of Finance and Public Utilities.

SECTION 3. That, subject to available appropriation in future years, an amount not to exceed \$633,165 is authorized for expenditure from the General Fund, Account Code 1001-14700-1110ERPSTDSTD, and an amount not to exceed \$633,165 is authorized for expenditure from the Utility Administrative Services Fund, 6078-31000-4000524STDSTD, for the purpose identified in Section 1.

SECTION 4. That the Finance Director is authorized to issue his warrant or warrants against the above account codes in payment of the obligations incurred pursuant to the contract authorized in Section 1 upon presentation of proper voucher or vouchers.

SECTION 5. That this ordinance is declared to be an emergency measure and shall be in full force and affect from and after its passage. The reason for the emergency lies in the fact that this ordinance is necessary for the immediate preservation of public peace, health, safety, and property and for the further reason that this ordinance must be immediately effective in order to permit the continued uninterrupted necessary services identified herein.

Vote on emergency clause: yeas \_\_\_\_\_, nays \_\_\_\_\_.

Passed: \_\_\_\_\_, as an emergency measure: yeas \_\_\_\_\_, nays \_\_\_\_\_.

Attest: \_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
President of Council

Approved: \_\_\_\_\_

\_\_\_\_\_  
Mayor

I hereby certify that the above is a true and correct copy of an Ordinance passed by Council

\_\_\_\_\_.

Attest: \_\_\_\_\_  
Clerk of Council