File #: O-474-20, **Version:** 1

SAP APPLICATION MAINTENANCE SUPPORT
Utility Administration/Information Communication & Technology
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(Revised)

Authorizing the mayor to enter into an extension of the ERP support contracts with Phoenix Business Consulting and Utegration, Inc. for a period not to exceed 90 days; authorizing an expenditure of an amount not to exceed $25,500 from the General Fund for ERP AMS extended services; authorizing an expenditure of an amount not to exceed $70,000 from the Utility Administrative Services Fund for extended Department of Public Utilities (DPU) SAP AMS services; waiving the competitive bidding requirements of T.M.C. 187; and declaring an emergency.

SUMMARY & BACKGROUND:
In February 2006, the City of Toledo (COT) Department of Public Utilities (DPU) implemented System, Applications, and Products (SAP). The system bills over 128,000 customers monthly for water, sewer, garbage, and storm water utilities for the city of Toledo and surrounding communities. The system produces, on average, 3500 to 7000 invoices daily, which are printed onsite and mailed via a contracted mailing service.

SAP DPU supplies financial data to the Department of Finance through an SAP ERP interface whose implementation occurred in 2010.

In April of 2015, the City of Toledo implemented SAP Utility Customer E-Services (UCES) online billing. Following this implementation, DPU automated some work-order processes to integrate SAP with City Works software utilizing an application programming interface beginning January 2017, completing the project in October 2018. The DPU SAP system supports Customer Relations, Utility Billing, and Online Billing systems. DPU currently utilizes the Badger Meter Reading Software and has interfaces to other software applications. Additionally, DPU will be moving into AMI technology and using Sensus Auto read as an interim solution and Sensus Flexnet as the AMI solution once converted.

The DPU SAP application will be moving forward with AMI/AMR integration starting in 2021. The anticipated completion of the AMI project is 2024. This project will encompass deployment of new meters, meter replacement, a customer service portal, work order integration, monthly meter reads, monthly billing, documentation of processes, potential upgrading of the SAP system and asset management for meters.

The City of Toledo is seeking a single governance structure for the AMS services of both Finance ERP and DPU SAP instances. COT desires the vendor to provide professional services for break-fix, enhancement and optimization, strategic planning, business process review and improvement, application related basis support and system administration, upgrade assistance, and ABAP programming on both SAP systems. Both AMS contracts expire in December 2020. The city may need to extend one or both of these contracts in order to transition to a new AMS provider.

The COT will reserve the right to award a contract to different vendors for each department's AMS services if

no one vendor provides the best proposal for both departments.

The fiscal impact of this ordinance is as follows:
- The amount of funds requested: $25,500 and $70,000 respectively
- The expenditure budget line item: 1001-14700-110ERP1STDSTD
  6078-31000-4000524STDSTD
- New revenue generated (operational revenue, grants, if any): none
- Revenue budget line item (if any): none
- Are funds budgeted in the current fiscal year (yes/no) yes
- Is this a capital project (yes/no)? no
- If yes, is it new or existing (new/existing)? n/a
- What section of the City's Strategic Plan does this support:
  o Excellence in Basic Services (yes/no) yes
  o Quality Community Investment (Livable City, Development) (yes/no) yes
  o Workplace Culture & Customer Service (yes/no) yes
  o Environment (yes/no) no

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

SECTION 1.   That the mayor is authorized to enter into an extension of the ERP support contracts with Phoenix Business Consulting for a period not to exceed 90 days; and the mayor is further authorized to enter into an extension of the DPU AMS support contract with Utegration, Inc. for a period not to exceed 90 days.

SECTION 2. That an expenditure of an amount not to exceed $25,500 is authorized from the General Fund, Account Code 1001-14700-110ERP1STDSTD, for ERP support services; and further authorizing an expenditure of an amount not to exceed $70,000 from the Utility Administrative Services Fund, Account Code 6078-31000-4000524STDSTD, for DPU SAP AMS support services and any unused amount is carried forward to 2021.

SECTION 3. That this Council finds it in the best interest of the city to waive the competitive procurement requirements of Toledo Municipal Code Chapter 187 for the reason that it ensures uninterrupted specialized knowledge based services provided by Phoenix Business Consulting and Utegration, Inc. considering the relatively short term of the extensions.

SECTION 4.   That this Ordinance is declared to be an emergency measure and shall be in force and effect from and after its passage. The reason for the emergency lies in the fact that same is necessary for the immediate preservation of the public peace, health, safety, and property and for the further reason that this Ordinance must be immediately effective in order to facilitate financial integrity and record maintenance at the City of Toledo.

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