ORDINANCE No. 183533

* Amend contract with SAP Public Services, Inc. to provide additional post go-live stabilization consulting services for $200,000 for City SAP Enterprise Resource Planning system implementation (Ordinance; amend Contract No. 37969)

The City of Portland ordains:

Section 1. The Council finds:

1. The Finance and Logistics (FILO) SAP Enterprise Resource Planning (ERP) system implementation for the Enterprise Business Solution (EBS) Project was completed on November 26, 2008. The Human Capital Management (HCM) implementation for the EBS Project was completed on June 17, 2009.

2. On May 7, 2008, the City Council passed Ordinance No.181802 approving Contract No. 37969 with SAP Public Services, Inc. to provide Professional, Technical and Expert implementation consulting services to complete the implementation of an integrated SAP Enterprise Resource Planning (ERP) System as part of the Enterprise Business Solution (EBS) Project. The original not to exceed contract amount was $11,771,200.

3. On October 30, 2008, the City of Portland approved Amendment No. 1 to Contract No. 37969 for SAP performance test consulting at a value of $222,640; increasing the total not to exceed contract amount to $11,993,840.

4. On October 30, 2008, the City of Portland approved Amendment No. 2 to Contract No. 37969 to clarify and replace the Deliverable Payment Schedule contained in the contract. The not to exceed total contract amount of $11,993,840 was not changed.

5. On November 19, 2008, the City Council passed Ordinance No.182358 to approve Amendment No. 3 to Contract No. 37969 for post go-live stabilization support at a value of $1,866,912.00; increasing the total not to exceed contract amount to $13,860,752.

6. On December 24, 2008, the City Council passed Ordinance No.182450 to approve Amendment No. 4 to Contract No. 37969 for additional consulting services to meet the Human Capital Management module implementation go-live deadline at a value of $388,080; increasing the total not to exceed contract amount to $14,248,832.

7. On April 29, 2009, the City of Portland approved Amendment No.1 to Amendment No. 3 to revise the SAP consultant staffing originally assigned to perform Post Implementation Stabilization Support work for Amendment No. 3. The not to exceed total contract amount of $14,248,832 was not changed.

8. On April 29, 2009, the City of Portland approved Amendment No. 2 to Amendment No. 3 to add Contractor staff start and end dates for Post Implementation Stabilization Support work for Amendment No. 3. The not to exceed total contract amount of $14,248,832 was not changed.

9. On April 29, 2009, the City Council passed Ordinance No.182733 to approve Amendment No. 5 to Contract No. 37969 for consulting services to meet the reset Human Capital Management module implementation go-live deadline of June 18, 2009 at a value of $1,250,000; increasing the total not to exceed contract amount to $15,498,832.

10. On January 7, 2010, the City of Portland approved Amendment No. 6 to Contract No. 37969, this administrative amendment merged the remaining funds from Amendment 1 and Amendment 4 with the deficit from Amendment 3 to allow the resulting amount of $244,227.44 to be utilized for post go-live stabilization support as stated in Amendment 3 and extended the contract to June 30, 2010. The not to exceed total contract amount of $15,498,832 was not changed.

11. The SAP ERP system implemented continues to be in a state of post go-live stabilization.

12. The City requires additional post go-live stabilization consulting services from SAP Public Services, Inc. to insure that the City's SAP ERP system is functioning as designed, that the post go-live operation of the City's SAP ERP system is maintainable and manageable, and that the City employees attain the requisite skills, knowledge transfer, and self sufficiency to maintain and manage the City's SAP ERP system through post implementation stabilization.

13. The City specifically requires additional post go-live stabilization consulting services from SAP Public Services, Inc. in following three major areas: 1) Time Management and Payroll consulting to support continuing HCM stabilization efforts, planned calendar year-end activities, W-2 and 1099 production; 2) Security consulting to support the stabilization of HCM security model, required SAP system updates/patching, the roll out of Employee Self-Service (ESS) and as needed break/fix support and knowledge transfer to the City's new SAP Security lead position; and 3) general on demand remote consulting services.

14. The amount of Amendment No. 7 is $200,000 which increases the total not to exceed amount of Contract No. 37969 to $15,698,832. Funds are included in appropriation carried over from FY 2008-09 from EBS implementation project budget.

NOW, THEREFORE, the Council directs:

a. The Mayor and the City Auditor are hereby authorized to execute Amendment No. 7 to Contract No. 37969 with SAP Public Services, Inc. for additional post go-live

stabilization consulting services, in a form substantially similar to that attached hereto as Exhibit A.

b. The Mayor and the Auditor are hereby authorized to draw and deliver checks payable SAP Public Services, Inc., chargeable to the Office of Management and Finance in an amount not to exceed $200,000 when demand is presented and approved by the proper authorities.

Section 2. The Council declares that an emergency exists because a delay in funding would interrupt post go-live stabilization consulting services required to insure that the City's SAP ERP system is functioning as designed, that the post go-live operation of the system is maintainable and manageable, and that the City employees attain the requisite skills, knowledge transfer, and self sufficiency to maintain and manage the system; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: FEB 10 2010

Mayor Sam Adams
Prepared by: Bruce Theurer: EJM
Date Prepared: January 25, 2010

LaVonne Griffin-Valade

Auditor of the City of Portland
By:

Deputy

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Agenda No.
ORDINANCE NO.   1 8 3 5 3 3
Title

* Amend contract with SAP Public Services, Inc. to provide additional post go-live stabilization consulting services for $200,000 for City SAP Enterprise Resource Planning system implementation (Ordinance; amend Contract No. 37969)

INTRODUCED BY Commissioner/Auditor: **Mayor Sam Adams**	CLERK USE: DATE FILED FEB 05 2010
COMMISSIONER APPROVAL	
Mayor—Finance and Administration - Adams	LaVonne Griffin-Valade Auditor of the City of Portland
Position 1/Utilities - Fritz	
Position 2/Works - Fish	By: _____
Position 3/Affairs - Saltzman	Deputy
Position 4/Safety - Leonard	**ACTION TAKEN:**
BUREAU APPROVAL	
Bureau: Office of Management & Finance/Enterprise Business Solution Division Bureau Head: Ken Rust	
Prepared by: Bruce Theurer: EJM Date Prepared: January 26, 2010	
Financial Impact Statement Completed ☒ Amends Budget ☐ Not Required ☐	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes ☐ No ☒	
Council Meeting Date **February 10, 2010**	
City Attorney Approval	

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
TIME CERTAIN ☐ Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)				YEAS	NAYS
		1. Fritz	1. Fritz	✓	
		2. Fish	2. Fish	✓	
CONSENT ☒ Pulled		3. Saltzman	3. Saltzman	✓	
REGULAR ☐ Total amount of time needed: _____ (for presentation, testimony and discussion)		4. Leonard	4. Leonard	✓	
		Adams	Adams	✓	