

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL,
SIGNED ORDINANCE ADOPTED BY THE CITY COUNCIL.**

ORDINANCE

AUTHORIZING AN AGREEMENT WITH CARAHSOFT TECHNOLOGY CORPORATION TO PROCURE SAP'S ENTERPRISE RESOURCE PLANNING S4 FINANCIALS AND Ariba PROCUREMENT SOFTWARE LICENSES TO SUPPORT THE FINANCIALS AND PROCUREMENT PHASE OF THE CITY'S ENTERPRISE RESOURCE PLANNING (ERP) MODERNIZATION AND TRANSFORMATION PROGRAM FOR AN INITIAL TERM OF SEVEN YEARS WITH FOUR OPTIONAL ONE-YEAR EXTENSIONS FOR AN ESTIMATED CONTRACT VALUE OF \$60,672,041 OVER THE CONTRACT TERM INCLUDING RENEWALS. THE FIRST-YEAR COSTS FOR THE SOFTWARE LICENSING WILL BE \$3,280,973 AND IS AVAILABLE FROM CERTIFICATES OF OBLIGATION INCLUDED IN THE FY2025 CAPITAL BUDGET. FUNDING FOR SUBSEQUENT YEARS IS CONTINGENT UPON CITY COUNCIL APPROVAL OF THE ANNUAL BUDGET.

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WHEREAS, an offer was submitted by Carahsoft Technology Corporation (Carahsoft) for SAP's Enterprise Resource Planning (ERP) software suite to support the next phase of the City's ERP modernization and transformation program; and

WHEREAS, the SAP ERP software suite includes S4 Financials and Ariba Procurement and provides functionality including Hire to Retire, Procure to Pay, Budget to Report, Acquire to Retire, Plan to Project, Order to Cash, and Manage IT, for an estimated cost of \$60,672,041.00, for a seven-year base term with the option for the City to renew for four additional, one-year periods; and

WHEREAS, this contract is procured through a federal supply schedule of the United States General Services Administration (GSA) Multiple Award Schedule 47QSWA18D008F; and

WHEREAS, pursuant to Texas Local Government Code §271.103, this purchase satisfies any state law requiring the City to seek competitive bids for the purchase of the goods or services; and

WHEREAS, the first-year costs for the software licensing in the amount of \$3,280,973.00, including the application of an Innovation Credit in the amount of \$1,108,700, is available from Certificates of Obligation and is available from Certificates of Obligation and included in the FY 2025 Capital Budget; and

WHEREAS, all expenditures will be in accordance with the applicable fiscal year's budget approved by City Council; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The offer submitted by Carahsoft Technology Corporation, using the GSA Federal Supply Schedule contract, Multiple Award Schedule 47QSWA18D008F, to provide the City of San Antonio with SAP's Enterprise Resource Planning (ERP) software suite, including S4 Financials and Ariba Procurement, to support the next phase of the City's ERP modernization and transformation program for a seven-year base term with the option for the City to renew for four additional, one-year periods for an estimated total cost of \$60,672,041.00, is hereby accepted, subject to and contingent upon the deposit of all required bonds, performance deposits, insurance certificates and endorsements. The price tabulation is attached hereto and incorporated herein for all purposes as **Exhibit I**. The City Manager or designee, Director of Finance or designee, or the Chief Information Officer or designee is hereby authorized to execute contracts and any documents necessary to carry out the purposes of this ordinance.

SECTION 2. Funds for this ordinance in the amount of \$3,280,973.00 is available in Fund 43099000, Project 09-00137, WBS Element 09-00137-02 and GL Account 5203080.

SECTION 3. Additional funds for this ordinance for the initial term of seven years and possible four one-year extensions options in the estimated amount of \$57,391,068.00 is contingent upon City Council approval of the annual budget.

SECTION 4. Payment not to exceed the estimated contract value of \$60,672,041.00 is authorized to be encumbered with purchase orders and made payable to Carahsoft Technology Corporation. Funding is provided by Certificates of Obligation bond funds. Payment is limited to the availability of funds at the time of invoice delivery.

SECTION 5. The financial allocations in this ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager, or the City Manager's designee, correct allocation to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this ordinance.

SECTION 6. This ordinance is effective immediately upon passage by eight or more affirmative votes; otherwise, it is effective on the tenth day after passage.

PASSED and APPROVED this __ day of _____, 2024.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney