

ORDINANCE

2022-09-29-0725

**APPROVING AN AMENDMENT TO THE SAP PUBLIC SERVICES, INC.,
(SAP) CONTRACT TO PROVIDE THE CITY OF SAN ANTONIO WITH
ACTIVE ATTENTION SERVICES (PROJECT AND SYSTEM PLANNING)
FOR THE SAP SYSTEM UPGRADE IN THE AMOUNT OF \$2,616,400.00.
FUNDING IS FROM THE FY 2023 – 2028 CAPITAL IMPROVEMENT
PROGRAM.**

* * * * *

WHEREAS, approval of this ordinance will authorize an amendment to the SAP Public Services, Inc., (SAP) contract to provide the City of San Antonio with Active Attention Services (project and system planning) for the SAP system upgrade; and

WHEREAS, the City has used SAP's Enterprise Resource Planning (ERP) software since 2004; and

WHEREAS, SAP will provide a dedicated team of SAP solution architects for the three-year duration of the upgrade to help align the City's SAP system roadmap and assist with key decisions on SAP's products and best practices; and

WHEREAS, this upgrade represents the first significant change to the City's ERP system since it was installed and gives the City the opportunity to transform essential business processes across Finance, Procurement, Budget, and HR for increased business value; and

WHEREAS, funding in the amount of \$2,616,400.00 is included in the FY 2023 - 2028 Capital Improvement Program; **NOW THEREFORE:**

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

SECTION 1. An amendment to the SAP Public Services, Inc., (SAP) contract to provide the City of San Antonio with Active Attention Services (project and system planning) for the SAP system upgrade in the amount of \$2,616,400.00 is hereby approved. Order Form No. AA01 is attached hereto and incorporated herein for all purposes as **Exhibit I**. The City Manager or designee, or the Chief Information Officer or designee, is hereby authorized to execute Order Form No. AA01 and any documents necessary to carry out the purposes of this ordinance.


SECTION 2. Payment is authorized to be encumbered and made payable to SAP Public Services, Inc., (SAP) in an amount not to exceed \$2,616,400.00. Payment is in support of financial system upgrades. Funding for this project is contingent upon City Council approval of the Fiscal Year 2023 CIP Budget which includes Fund 43099000, WBS Element 09-00137-01 and GL Account 5201040.

Payment is limited to the amounts budgeted in the operating and/or capital budget funding sources identified. All expenditures will comply with approved operating and/or capital budgets for current and future fiscal years.

SECTION 3. 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 4. 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 29th day of September, 2022.



M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:



Debbie Racca-Sittre, City Clerk



Andrew Segovia, City Attorney



City of San Antonio

City Council Meeting September 29, 2022

10.

2022-09-29-0725

Ordinance amending the SAP Public Services, Inc. (SAP) contract to provide the City of San Antonio with Active Attention Services (project and system planning) for the SAP system upgrade in the amount of \$2,616,400. Funding is from the FY 2023 2028 Capital Improvement Program. [Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

Councilmember Rocha Garcia moved to Approve on the Consent Agenda. Councilmember Courage seconded the motion. The motion carried by the following vote:

Aye: Nirenberg, Bravo, McKeeRodriguez, Viagran, Rocha Garcia, Cabello Havrda, Sandoval, Pelaez, Courage, Perry

Absent: Castillo

LC
09/29/22
Item No. 10

Exhibit I



**Order Form No. AA01 ("Order Form")
effective October 3, 2022 ("Effective Date")**

between **SAP Public Services, Inc.**
3999 West Chester Pike
Newtown Square, PA 19073
(hereinafter "SAP")

and **City of San Antonio**
515 South Frio Street
San Antonio, TX 78283
(hereinafter "Customer" or "Licensee")

SAP and Customer agree that this Order Form is a binding agreement for Services governed by the Professional Services Schedule ("PSS") to the Software End-User License Agreement, as entered into between SAP and Customer with an effective date of June 30, 2002. Together this Order Form, the PSS, and, to the extent the Services involve the processing of personal data, the Personal Data Processing Agreement for SAP Support and Professional Services ("DPA") made available on <http://sap.com/agreement-services-support-professional-services-dpa> form the Agreement. In the event of any inconsistencies between the PSS, including any documents referred to therein or attachments thereto, and this Order Form, this Order Form shall prevail. Customer acknowledges it has had the opportunity to review the DPA prior to executing this Order Form. SAP recommends Customer prints copies of the DPA for Customer's own records.

For the purposes of this Agreement, references to "GTC" or "GTCs" found in any Service Descriptions referenced herein shall mean "PSS".

Capitalized terms in this Order Form but not defined will have the meaning defined in the PSS. Some versions of SAP agreements use the term "Licensee" in place of "Customer". For purposes of this Agreement including this Order Form and referenced Scope Documents attached hereto, references to "Licensee" shall mean "Customer".

1. **SAP Services.** The Services to be delivered to Customer under this Order Form consists of the services specified in the applicable Scope Documents attached to this Order Form and/or the Service Descriptions referenced therein.

The following table provides a summary of the applicable Scope Documents for the Services to be delivered under this Order Form:

Scope Document	Service
Scope Document 1	SAP ActiveAttention Services

2. **Invoicing and Payment Terms.** SAP will mail invoices to the following Customer billing address:

City of San Antonio
Attn: Accounts Payable
515 South Frio Street, Building B
San Antonio, TX 78207

Unless otherwise stated herein, payment shall be made net thirty (30) days from the date of SAP's invoice.

Notwithstanding anything to the contrary, Customer acknowledges and agrees that: i) it must provide SAP with a valid purchase order for the Services to be delivered under this Order Form, and SAP shall have no obligation to commence delivery of Services hereunder until it receives such purchase order; ii) such purchase order shall be governed by the terms of the Agreement and this Order Form; and iii) should SAP, in its sole discretion, elect to commence delivery of Services hereunder in advance of its receipt of a purchase order, the same shall not operate as a waiver of any of SAP's rights (including, without limitation, SAP's right to stop its performance of Services at any time during the period where the purchase order remains outstanding).

SAP contact for invoice questions: SAP O2I Premium Engagement North America; O2Ipremiumengagementna@sap.com

Customer contact for payment questions: Kevin Goodwin; kevin.goodwin@sanantonio.gov; 210-207-5840

3. **Fees:** Service Fees under this Order Form, are:
3.1 SAP ActiveAttention Services Fee(s)

	Period 1 (10/03/2022 – 10/02/2023)	Period 2 (10/03/2023 – 10/02/2024)	Period 3 (10/03/2024 – 10/02/2025)
ActiveAttention Service Fee(s)	USD 815,300.00	USD 830,800.00	USD 970,300.00

The SAP ActiveAttention Services as defined in Scope Document 1 will be delivered during the period(s) as set out above ("Period").



ActiveAttention Services Fees include travel and living expenses related to the performance of on-site Services. No additional travel and living expenses, shall be charged by SAP nor be payable by Customer. ActiveAttention Services Fees will be payable annually in advance commencing with Customer's execution of this Order Form.

In the event SAP exercises its right to change ActiveAttention Services Fees, in accordance with the SAP ActiveAttention Services Description, SAP agrees that increases in Customer's ActiveAttention Services Fees hereunder from the prior year shall not be greater than the percentage increase in the Consumer Price Index (CPI) over the twelve-month period prior to such increase plus three percent (3%), provided the scope of the ActiveAttention Services does not change and does not exceed the limits set forth in Sections 1 and 2 of Scope Document 1. Any such ActiveAttention Service Fee increase shall be applied on a cumulative year-over-year basis starting from either the Effective Date of this Order Form or the date of Customer's last ActiveAttention Service Fee increase, whichever occurred later. CPI as used herein means U.S. Consumer Price Index for all Urban Consumers, U.S. City Average - All Items 1982-1984 = 100 Base for the applicable twelve (12) month period as published by the Bureau of Labor Statistics. Not raising ActiveAttention Service Fees in any given calendar year or years is not a waiver of SAP's right to do so.

4. **Service Location.** The primary location for the Services provided hereunder is identified by Customer as: City of San Antonio, 515 South Frio Street, Building B, San Antonio, TX 78207 ("Service Location"). Customer agrees and understands that the calculation of Taxes may be affected by the Service Location.

Fees and other charges described in this Order Form do not include federal, state or local sales, VAT, GST, foreign withholding, use, property, excise, service, or similar transaction taxes ("Tax(es)") now or hereafter levied, all of which shall be for Customer's account. Any applicable direct pay permits or valid tax-exempt certificates must be provided to SAP at the execution of this Order Form. If SAP is required to pay Taxes, Customer shall reimburse SAP for such amounts. Customer hereby agrees to reimburse SAP for any Taxes and any related costs, interest and penalties paid or payable by SAP on behalf of customer. This section shall not apply to taxes based on SAP's income.

5. **Additional Terms and Conditions:**

5.1 The selection of SAP resources assigned or deployed to deliver individual Services hereunder is at SAP's sole discretion and SAP reserves the right to replace any assigned SAP resource at any time at its sole discretion with an SAP resource with equivalent skills. In exercising such discretion, SAP shall maintain the continuity of the Services to be provided to Licensee hereunder.

5.2 Licensee's sole and exclusive remedy related to SAP's breach of its warranties hereunder shall be, at SAP's sole option: (i) re-performance of the applicable Service; or (ii) SAP shall refund the fee paid or reallocate the quota days for the specific non-conforming Service.

5.3 The provisions of Section 7, **Limitation of Liability**, of the PSS shall apply to the Services hereunder, except that the phrase "...IN EXCESS OF THE CONSULTING FEES PAID, DUE AND OWING..." is replaced with "...IN EXCESS OF THE FEES PAID FOR THE APPLICABLE SERVICES HEREUNDER GIVING RISE TO THE LIABILITY ...", solely for the purpose of the Services under this Order Form.

5.4 Neither party shall knowingly solicit or hire, any of the other party's employees involved in the Services during the Term and for a period of six (6) months from the termination thereof, without the express written consent of the other party. This provision shall not restrict the right of either party to solicit or recruit generally in the media.

5.5 Licensee may at its sole discretion, provide SAP (or as used herein SAP SE or other SAP entity) with input, comments or suggestions from Licensee, regarding SAP's business and technology direction and/or the possible creation, modification, correction, improvement or enhancement of the software, products and/or services of SAP, (collectively "Feedback"). Licensee grants to SAP SE a non-exclusive, perpetual, irrevocable, worldwide, transferable, royalty-free license, with the right to sublicense through multiple tiers, to use, publish, disclose, perform, copy, make, have made, use, modify, create derivative works, distribute, sell, offer for sale and otherwise benefit from Feedback in any manner and via any media.

6. **Legal and regulatory matters.** SAP will not provide any advisory services regarding any of Customer's compliance with tax, legal or other regulatory matters. SAP Services will be limited to technical assistance based on requirements as specified by Customer. Customer is solely responsible for determining and validating its compliance with tax, legal and other regulatory matters.

7. **Term.** The term of this Order Form shall commence at the Effective Date and shall continue through October 2, 2025 ("Term").



8. **Electronic Signature.** Signatures sent by electronic means (facsimile, scanned or sent via e-mail, or signed by electronic signature service where legally permitted) shall be deemed original signatures.
9. **Validity of Offer.** The validity of this offer will expire on September 30, 2022, unless sooner executed by Customer and SAP, or extended in writing by SAP.

Accepted by:

SAP Public Services, Inc.
(SAP)

DocuSigned by:

Chad Schmidt

2C31CDEF01A1418

By: _____

Printed Name: Chad SchmidtTitle: GM - Regulated IndustriesDate: September 6, 2022

Accepted by:

City of San Antonio
(Customer or Licensee)

By: _____

Printed Name: _____

Title: _____

Date: _____

Reviewed by Contracts
C. CoffeyDigitally signed by I803259
DN: cn=I803259, c=DE, o=SAP-
AG,
email=christopher.coffey@sap.com
Date: 2022.09.06 10:39:36 -04'00'



Scope Document 1 SAP ActiveAttention Services "ActiveAttention Services Scope Document"

SAP ActiveAttention Services will be provided in accordance with the SAP ActiveAttention Services Description ("ASD"), which is found at <http://www.sap.com/servicedescriptions> (SAP Service Description for SAP ActiveAttention Services ENGLISH v.1-2022).

1. **SAP ActiveAttention Services.** SAP ActiveAttention Services ("ActiveAttention Services") may provide, through the services identified below, professional expertise onsite and/or remotely to assist Licensee in ActiveAttention engagement planning, governance, analysis and identification of potential business improvement, and advisory on potential architecture transformation driving continuous business improvement within Licensee's lines of business and/or to assist Licensee in the handling of orchestration and operations of Licensee's solution landscape, supporting transformation, implementation, upgrade, operations and innovation projects.

ActiveAttention Services include the following components:

1.1 SAP Embedded Services. SAP Embedded Services will be provided in accordance with the ASD by an onsite team consisting of the Embedded Resources identified in the table below. Such Embedded Resources will be available at the Licensee location(s) specified in the table below for the quota of days per assigned Embedded Resource per Period specified in Section 2 below during the ActiveAttention Services Term ("Embedded Resources Quota").

Embedded Resource Role	Location
FTQM	San Antonio, Texas, USA
TQM	San Antonio, Texas, USA

1.2 SAP Expert Services. SAP Expert Services will be provided in accordance with the ASD for the quota of SAP Expert Services days per Period specified in Section 2 below during the ActiveAttention Services Term ("Expert Services Quota").

1.3 SAP Expertise on Demand. EoD Services will be provided in accordance with the ASD for the quota of EoD days per Period specified in Section 2 below during the ActiveAttention Services Term ("EoD Quota").

2. Quotas.

	Period 1 (10/03/2022 – 10/02/2023)	Period 2 (10/03/2023 – 10/02/2024)	Period 3 (10/03/2024 – 10/02/2025)
Embedded Resources Quota – FTQM	100 days	100 days	100 days
Embedded Resources Quota - TQM	20 days	20 days	20 days
Expert Services Quota	140 days	145 days	190 days
EoD Quota	3 days	3 days	3 days

3. **Fees.** Licensee shall pay to SAP the ActiveAttention Service Fee(s) for the SAP ActiveAttention Services engagement provided herein on the terms specified in the Order Form.
4. **Service Location.** The primary delivery location for the ActiveAttention Services provided hereunder is specified in Section 4, Service Location, of the Order Form.
5. **ActiveAttention Services Term.** Notwithstanding any term to the contrary, the term of this ActiveAttention Services Scope Document will commence October 3, 2022 ("Commencement Date") and continue through October 2, 2025 ("ActiveAttention Services Term").
6. **Additional Terms:**

6.1 In the event Licensee requests additional Embedded Resources, Expert Services, or EoD days in excess of the respective Embedded Resources, Expert Services, or EoD Quotas stated herein, such requested Embedded Resources, Expert Services, or EoD days will be delivered and invoiced to Licensee at SAP's then current rates in effect.

6.2 Licensee may carry forward unused Quota days (i.e., Embedded Resources, Expert Services, or EoD Quotas) from a preceding Period into the first thirty (30) days of a subsequent Period, not to exceed ten percent (10%) of the total number of Quota days for the preceding Period and the expiration of the ActiveAttention Services Term, provided such quota days being carried forward were part of a previously documented and mutually accepted ActiveAttention Services engagement Service Plan. Unused Quota days cannot be carried forward or backwards between Order Forms or Scope Documents to an Order Form.

6.3 After an initial period of twelve (12) months from the Effective Date of the Order Form, these ActiveAttention Services may be terminated by either party for any reason upon ninety (90) days prior written notice to the end of the then-current Period. Licensee shall be responsible for payment of all ActiveAttention Service Fees incurred through the effective date of termination.