



## Legislation Text

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**File #:** 20-2212, **Version:** 1

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**STRATEGIC PRIORITY:** Government Performance and Financial Management  
**AGENDA DATE:** December 9, 2020  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Procurement Services  
**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a five-year service price agreement for software maintenance and support for the integrated billing system for the Water Utilities Department - SAP Public Services, Inc., sole source - Estimated amount of \$3,609,417.80 - Financing: Dallas Water Utilities Fund

### **BACKGROUND**

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This agreement will continue maintenance and support of the integrated billing system currently utilized by 13 City departments. This integrated billing system produces approximately 20,000 documents daily, ranging from invoices and past due notices, to service requests, permit renewals, consumer applications, and fee statements. It bills in excess of \$575 million in utilities revenue and \$100 million for other departments' revenue annually.

The functionality of this system includes:

- Monthly billing for water, wastewater, sanitation, and stormwater service fees
- Capture, dispatch, and/or resolution of all water and wastewater customer service requests
- Participating departments' collection activities for delinquent receivables
- Monthly contractual billing for Aviation landing and baggage fees, and cashiering for security badges
- Permit applications/renewals and fees for security alarms, fire/medical alarms, and air quality
- Fees for high risk fire inspection, HazMat services and training, non-owner-occupied rental property and multi-family tenant registration, consumer protection and land base receivable fees, hotel-motel and short term vehicle fees, and lien/loan statements

The integrated billing system is a mission critical system used 24 hour/day making it essential that a maintenance and support agreement be in place for timely and technical response should unplanned malfunctions or services disruptions occur. This agreement will also provide periodic software upgrades, system patches and “break/fix” solutions.

New and upgraded third party software purchased through this agreement is SAP-certified and will enable future business-driven initiatives like utilities mobile field services, inventory management and reporting for end users. It includes the necessary professional services to upgrade the current SAP training/development software which is obsolete and unsupported.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$12.38; the selected vendor meets this requirement.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On December 14, 2011, City Council authorized an acquisition contract for the purchase of additional licenses, software and upgrade services to upgrade the existing integrated billing system; and a five-year service contract for maintenance and support for the integrated billing system with SAP Public Services, Inc. by Resolution No. 11-3221.

On December 14, 2016, City Council authorized a four-year service contract for maintenance and support for the integrated billing system software; and an acquisition contract for the purchase of additional licenses with SAP Public Services, Inc. by Resolution No. 16-1907.

#### **FISCAL INFORMATION**

Fund	FY 2021	FY 2022	Future Years
Dallas Water Utilities Fund	\$629,795.00	\$629,795.00	\$2,349,827.80

#### **M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$3,609,417.80	Other Services	N/A	N/A	N/A
• The Business Inclusion and Development Policy does not apply to Proprietary Software				
• SAP Public Services, Inc. is providing a five-year service price agreement for software maintenance and support for the integrated billing system for the Water Utilities Department and utilizing proprietary software. No sub-contracting opportunities are available.				

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| • SAP Public Services, Inc. - Non-Local; Workforce - 0.00% Local |
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## **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Sole Source	<ul style="list-style-type: none"><li>• Utilized for procurements where functional requirements can only be satisfied by one vendor, such as those where patents, copyrights or monopolies exists</li><li>• Exempted from competitive bidding process</li><li>• Reviewed by Procurement Services to ensure the procurement meets at least one general exception as stated in the Texas Local Government Code</li></ul>
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<b><u>Bidder</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
SAP Public Services, Inc.	3999 West Chester Pike Newtown Square, PA 19073	\$3,609,417.80

Note: The Office of Procurement Services conducted a sole source review and found no exceptions.

## **OWNER**

### **SAP Public Services, Inc.**

DJ Paoni, President  
Emma Lawrence, Vice President, Utilities Central