

TO: MAYOR & COUNCILLORS
FROM: DEPUTY GENERAL MANAGER FINANCE
SUBJECT: **CA – ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE SYSTEM – SAP IMPLEMENTATION PARTNER**
PURPOSE: To obtain Council approval for a Contract Award (CA) for ERP Software System – SAP Implementation Partner.

RECOMMENDATION

THAT a one-year contract be awarded to PricewaterhouseCoopers LLP (PWC) for the Implementation Services for the ERP Software System at an estimated total cost of \$3,255,000 including GST in the amount of \$155,000, as outlined in the report titled “CA – Enterprise Resource Planning (ERP) Software System – SAP Implementation Partner” dated February 25, 2025; and

THAT final payment will be based on actual quantity of services delivered and the unit prices proposed.

1.0 POLICY SECTION

The City’s Procurement Policy requires that contracts for goods, services, and construction with values over \$1,000,000 be approved by Council following a competitive procurement process.

2.0 BACKGROUND

Following Request for Proposal (RFP) #308-12-23 for ERP Software System, six submissions were received by the closing time on June 12, 2024. Based on the RFP’s evaluation criteria consisting of capabilities of the solution, proposed methodology and work plan, support and maintenance services, qualifications, demonstrations and total cost of ownership, PricewaterhouseCoopers LLP in partnership with SAP Canada Inc.’s ERP Software solution received the highest overall scoring.

PricewaterhouseCoopers LLP has completed previous work under contract to the satisfaction of the City. Review by City staff indicates the contractor has the necessary equipment and personnel to successfully complete the work under this contract.

The Chief Information Officer concurs with this recommendation.

3.0 GENERAL INFORMATION

In 2007, the City implemented the SAP ECC Enterprise Resource Planning application, replacing a portfolio of legacy accounting, procurement and human resources systems. Over the past 10 years, minimal enhancements were added to expand its capabilities.

The SAP ECC 6 system is nearing the end of its useful life, and SAP will be ending standard support for the ECC product in 2027. As a result, City staff posted a Request for Proposal to seek proposals for an upgraded SAP solution or to be replaced with another ERP solution.

The scope includes implementation support and advisory services for the new RISE with SAP S4/HANA Private Cloud Edition ERP Software System that supports all requirements and complies with all regulations, policies and guidelines required to maintain operations to the City.

This contract award for the SAP implementation support and advisory services is for a one (1) year term with options to extend up to (4) individual one-year periods.

This recommendation is for the SAP Implementation Partner PWC. The contract is under a final review and will be completed prior to contract execution. The SAP software licenses will be provided by SAP Canada Inc. and will be awarded under a separate contract.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

RFP #308-12-23 Enterprise Resource Planning (ERP) Software System (Attachment 1) was publicly advertised. Upon closing, the City received a total of six submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for this capital work will be included in the 2025 – 2029 Financial Plan under Information Technology - Modern ERP: Core Business Application. This work will be accommodated under WBS element: AEA.0096 (\$12,290,100 excluding GST).

Respectfully submitted,

RATAN GREWAL, DEPUTY GENERAL MANAGER FINANCE

ATTACHMENTS

Attachment 1 – RFP#308-12-23

REPORT CONTRIBUTORS

This report was prepared by Scott Lovas, Assistant Manager, Procurement Services - Capital, and reviewed by Sophan Lum, Senior Manager, Procurement Services - Capital.