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RESOLUTION NUMBER R- 302710

DATE OF FINAL PASSAGE JUN 27 2007

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR OR HIS DESIGNEE TO MAKE DRAWS AGAINST THE IBM CREDIT FACILITY ESTABLISHED TO PAY COSTS RELATED TO THE IMPLEMENTATION OF THE CITY'S ERP SYSTEM, PURSUANT TO THE CONTRACT BETWEEN SAN DIEGO DATA PROCESSING CORPORATION AND SAP AG, AND OTHER ACTIONS RELATED TO THE ADDITION OF A CIP FOR THE PURPOSE OF PURCHASING AND COMPLETING THE CITY'S ERP PROJECT

WHEREAS, on February 5, 2007, the City Council approved, in concept, the implementation of the City's ERP Project; and

WHEREAS, on May 15, 2007, the City Council adopted Ordinance No. OO-19618, authorizing the Mayor to enter into a lease-purchase agreement with IBM Credit LLC to establish a credit facility [IBM Credit Facility] to finance the implementation of the City's ERP Project; and

WHEREAS, on May 12, 2007, after a lengthy RFP process, the SDDPC Board of Directors authorized the negotiation and execution of a contract with SAP AG to provide software and maintenance support to the City's ERP Project, which must be affirmed by resolution of the City Council before the IBM Credit Facility can be accessed; and

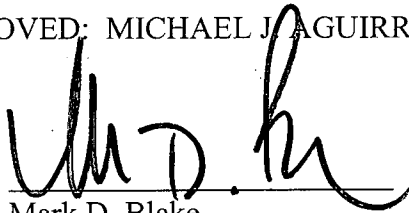
WHEREAS, the contract with SAP will be for a term of two (2) years with eight (8) one (1) year renewal options; with a software and first year maintenance cost of \$4,575,882; NOW THEREFORE,

BE IT RESOLVED by the Council of the City of San Diego as follows:

1. That the Mayor or his designee is authorized to make draws against the IBM Credit Facility, for the purpose of financing the cost of acquiring the equipment, software and services selected by SDDPC, together with any cost related thereto, for the implementation of the City's ERP Project.
2. That the Auditor and Comptroller is authorized to:
  - a. Add CIP #92-000.0, Enterprise Resource Planning System Core Capital Project, to the Fiscal Year 2007 Capital Improvements Program.
  - b. Create a special interest bearing reimbursement fund, 500711, ERP Capital Project Fund, for the purpose of depositing funds from the IBM Credit Facility.
  - c. Increase by \$5,000,000 the Fiscal Year 2007 Capital Improvements Program budget in CIP # 92-000.0, Enterprise Resource Planning System Core Capital Project, Fund 500711, Capital Project Fund.
  - d. Appropriate and expend \$5,000,000 from CIP # 92.000.0, Enterprise Resource Planning System Core Capital Project, fund 500711, Capital Project Fund, for the purpose of purchasing the ERP equipment, software and services, contingent upon the Auditor and Comptroller first certifying that funds are, or will be, on deposit with the City Treasurer.
  - e. Redirect interest earnings in fund 50071, ERP Fund, to fund 500711, ERP Capital Project Fund.
  - f. Return excess funds to the appropriate reserves.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Mark D. Blake  
Chief Deputy City Attorney

MDB:jdf  
05/24/2007  
Or.Dept:FINANCE  
R-2007-1177

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 11 2007.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 6-27-07

(date)

  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_

(date)

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JERRY SANDERS, Mayor