



FAIRFAX COUNTY WATER AUTHORITY
8570 Executive Park Avenue, Fairfax, Virginia 22031-2218
www.fairfaxwater.org

DATE: March 13, 2019

MEMORANDUM

To: Charles M. Murray

Through: Steven Edgemon, Deputy General Manager *E 3/13*

Through: Donald Legg, Procurement Manager *DRL*

From: W. Marcus Berry, Supervisor Solutions Support Center

Subject: Request for Sole Source Contract Award to SAP S4 License

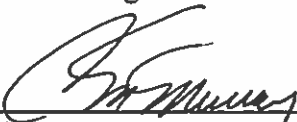
1. Background: Fairfax Water began the implementation of SAP, an enterprise-wide software system (ERP), over 15 years ago. The first phase was the Utility Industry Solution Customer Care and Services (CCS) completed in February of 2004. Next was HR/Payroll and a portal environment to provide Employee Self-Service (ESS) and Manager Self-Service (MSS), completed in July of 2005. Implementation of Core SAP modules FI/CO, PS, FM, PM, and MM were completed in April of 2009. SAP has integrated data for management of many business functions such as customer service, human resources, financial accounting, budgeting, project cost accounting, asset management, work orders, plant maintenance, fleet management, and procurement.

Our current SAP software is more than 15 years old. SAP is changing to a new platform, SAP S/4, and will no longer provide updates to current systems. Enhancements are being developed for the S/4 platform only.

The SAP S/4 platform will resolve several of Fairfax Water's current pain points within SAP. Reporting and Analytics have been made easily accessible for supervisors and management to produce. Usability, ease of use, for the end user has been made more efficient using tiles instead of transaction codes. SAP S/4 will give Fairfax Water an opportunity to establish a true Mobile workforce and will position Fairfax Water for possible future initiatives such as GIS integration with SAP and Linear Asset Management.

2. Justification: Since Fairfax Water utilizes the Sap platform SAP is the only source available to purchase the S4 license from for the S4 platform.

3. Recommendation: Staff has reviewed pricing from SAP and determined the cost of \$965,712 is fair and reasonable for the S4 licenses. Acquisition of this product is necessary to complete this initiative and it is in the best interest of FW to obtain and implement this product as soon as possible. Annual maintenance cost remains at 22%.
4. Determination: In accordance with Section 2.2-4303(E) of the Code of Virginia, as amended, it is my determination that the above named vendor is the only known source practicably available to obtain the goods and/or services specified above.



Charles M. Murray, General Manager

3/13/19

Date