



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

---

**File #:** 15-0657, **Version:** 1

---

### **TRANSMITTAL LETTER FOR BOARD MEETING OF JUNE 18, 2015**

#### COMMITTEE ON JUDICIARY

Mr. David St. Pierre, Executive Director

Authorization to settle payment dispute with SAP Public Services, Inc. related to SAP Annual Software Maintenance Fees and Discontinue Maintenance for Certain Software Licenses for a final payment of \$177,827.18, Account 101-27000-612820

Dear Sir:

On December 12, 2007, the Board authorized the Director of Procurement and Materials Management to issue a purchase order and enter into an agreement with SAP Public Services, Inc. ("SAP") to provide additional licenses to use various SAP software. The additional licenses included Public Sector Records Management, Netweaver BI Accelerator, Resource and Portfolio Management, Strategy Management, and Business Planning for Public Sector. In 2013, the Information Technology Department determined these software application licenses were no longer necessary. In an effort to reduce its overall SAP maintenance costs, the Information Technology Department sent notice to SAP indicating the District's intention to discontinue software maintenance on the specific software licenses mentioned above. SAP denied the District's request claiming the original agreement did not allow for a partial termination of software licenses. As a result of the denial, SAP continued to charge the District software maintenance fees for the software licenses mentioned above in the amount of \$564,420.00.

After several months of negotiations, the parties have come to an agreement in settlement of any and all claims against the District regarding maintenance fees for the above mentioned software licenses. This agreement requires the District to make a final payment of \$177,827.18 to SAP and allows the District to discontinue future maintenance fees for the specific software licenses while the remainder of the SAP agreement remains intact.

The Acting Director of Information Technology requests payment by direct voucher of the sum of \$177,827.18 be approved as final payment and that he be authorized to execute such documents as may be necessary to effect this settlement.

Funds are available in Account 101-27000-612820.

Requested, John Sudduth, Acting Director of Information Technology, JS:rb

Recommended, Ronald M. Hill, General Counsel

Respectfully Submitted, Mariana Spyropoulos, Chairman Committee on Judiciary

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for June 18, 2015