

**Agenda of April 24, 2013**

**Item No.13-0154**

**Amount: \$330,001.62**

**TO:** The Honorable  
Board of Water Commissioners  
City of Detroit, Michigan

**FROM:** Sue F. McCormick, Director  
Detroit Water and Sewerage Department

**DATE:** April 24, 2013

**RE: Oracle Enterprise Asset Management Software Yearly Maintenance**

**I. Motion**

Upon recommendation of Nicolette Bateson, Chief Financial Officer, the Board of Water Commissioners authorizes the Director to **grant an appropriation of \$330,001.62 to Oracle Corporation for Enterprise Software Maintenance for WAM (Work and Asset Maintenance) System for one year**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

**II. Justification**

DWSD is currently installing Oracle WAM under CS-1476. The WAM system performs the asset management, inventory, preventive maintenance, work management, procurement and invoicing functions for the Department. The WAM system moves DWSD closer to the goal of performing many of the financial functions within DWSD, reducing dependency on the City finance systems. The yearly maintenance for EMPAC, our current maintenance system, is \$650K. The yearly maintenance for WAM is \$330K, which is a savings for the department of \$320K.

**III. Background and Summary**

1. Critical Consolidated System (CS-1491) RFP was created to address DWSD's major systems issues including: the absence of a complete integrated applications suite, high maintenance cost of EMPAC (yearly cost of approximately \$650,000) and the danger of some systems no longer being supported by the EMPAC vendor. EMPAC was not going to be supported going forward and further EMPAC enhancements ceased as of 2010. The CS-1491 contract was established as a remedy to the cost and end of life issues with the EMPAC application.

2. DWSD conducted the bid release, Q&A period, and evaluation and negotiation which culminated mid-year 2010. Each of these was a multi-month process. The BOWC approved the purchase of WAM on November 23, 2011.
3. DWSD Finance: Utilized CS-1476 to expedite implementation and reduce cost to implement Oracle WAM. Implementation began in December 1, 2011 and is expected to go live May 2013.

**IV. Conclusion:**

DWSD followed the results of the RFP process in choosing Oracle's Work and Asset Management product. The continued maintenance is required to ensure the system is properly maintained.

This recommendation was considered by the Board of Water Commissioners and action taken as noted below.

**BOARD OF WATER COMMISSIONERS:**

**ACTION:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**Sue F. McCormick, Director**