



Detroit Water and Sewerage Department

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Legislation Text

File #: 2024-130, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve Amendment No. 1 for DWSD Contract No. 6003486 (CS-1964) with Innovyze, LLC f/k/a Innovyze, Inc. for Hydraulic Modeling System Software; by adding 5 years for a new term ending 6/30/29, and additional funds in the amount of \$940,000.00, for an amended total contract amount not-to-exceed \$1,120,000.00.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of July 17, 2024

Item No. 2024-130

Proposed Amendment No. 1

Contract No.: 6003486 (CS-1964)

Contractor: Innovyze, LLC f/k/a Innovyze, Inc.

Address: 221 SE Ankeny Street, Portland, OR 97214

Initial Contract Amount: \$180,000.00

Proposed Amendment No. 1 Amount: \$940,000.00

Proposed New Total Contract Amount: \$1,120,000.00

Initial Contract Term: 7/1/21 - 6/30/24

Proposed Amendment No. 1 Extension: 7/1/24 - 6/30/29

Proposed New Contract Term: 7/1/21 - 6/30/29

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

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Proposed Amendment No. 1 to Contract 6003486 (CS-1964)
To add funds and time to the contract for Hydraulic Modeling System Software
Innovyze, LLC f/k/a Innovyze, Inc.

MOTION

Upon recommendation of Marqaicha Welch, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department, authorizes the Director to **approve Amendment No. 1 for**

DWSD Contract No. 6003486 (CS-1964) with Innovyze, LLC f/k/a Innovyze, Inc. for Hydraulic Modeling System Software; by adding 5 years for a new term ending 6/30/29, and additional funds in the amount of \$940,000.00, for an amended total contract amount not-to-exceed \$1,120,000.00. This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND & JUSTIFICATION

In July 2017, DWSD awarded the CIPMO Contract 6000777 (Project# CS-1812) to AECOM after completing the competitive qualification-based RFP process for a five-year period. All the programmatic components that comprise a capital delivery Program Management Office (PMO) were specified within the scope of work.

As of July 2020, all the software components that were initially set up under the CIPMO (CS-1812) project are operational, functioning to plan; and DWSD is executing contracts to rehabilitate infrastructure and effectively improve service levels to Detroit residents. Effective July 2021, which is year 4 of the CIPMO contract, DWSD transitioned to take direct ownership of the license agreements for CityWorks, E-Builder, Innovyze and Primavera as specified in the contract. These software license costs were removed from the CS-1812 contract.

AECOM and DWSD negotiated price points for these four software vendors that was beneficial to DWSD to retain, and all parties agreed to transfer the active software agreement to DWSD with no additional fees. When the balance of the 5-year term expires for CS-1812, DWSD will either seek BOWC approvals for amendments or replacement contracts.

Innovyze Hydraulic Modeling System is a proprietary software package designed and sold exclusively by Innovyze. Innovyze Hydraulic Modeling System is an essential tool used in CIP development. Hydraulic models are computer representations of a distribution or collection system. Information gathered from record drawings and field observations is entered into computer programs that solve complex flow equations. DWSD is using these computer models to assess where hydraulic deficiencies may exist and what can be done to fix them. Hydraulic models have been developed and maintained for both the DWSD water distribution and sewage collection systems. Innovyze advanced hydraulic modeling software improves the performance and cost-effectiveness of DWSD's water distribution networks, so we can continue to improve upon the level of service provided

The Hydraulic Modeling software package was acquired as a single source contract under CIPMO (CS-1812) with Innovyze, including all Suite versions, Viewers, updates, upgrades and Annual Maintenance. DWSD acquired the software licenses from AECOM, who secured the software licenses directly from an authorized Original Software Manufacturer distributor. The software license agreement gives DWSD, the licensee a non-exclusive, non-transferable right to use software. Innovyze is the sole and exclusive developer, owner and distributor of InfoWater Pro, InfoWorks ICM, InfoAsset Manager and InfoAsset Planner software packages.

Proposed Amendment #1 will extend the contract term by 5 years and add funding to cover software licenses as well as annual maintenance costs of \$188,000.00. The annual subscription includes Maintenance Releases, Technical Support and Software Updates. With the AutoDesk purchase of Innovyze, there was an increase in license costs. There has also been an increase in the number of licenses that DWSD needs and uses, as more DWSD engineers have been trained to now utilize this software. The amended pricing also includes an annual 3% contingency cost for future technology trends.

PROCUREMENT METHOD

The DWSD IT Department submitted requisition #486980, that was approved on 4/16/21, requesting a novation to commit to taking over the CIPMO contract with Innovyze Inc., for three (3) years for a not-to-exceed amount of \$180,000. This contract is being requested as a single source, with an approved Exception to Competitive Solicitation, due to Innovyze Inc. being the proprietary software package designed and sold exclusively by Innovyze vendor. The Exception to Competitive Solicitation Form was approved on April 16, 2021, by Director Gary Brown. The Contract was also approved by the Mayor on June 16, 2021.

Proposed Amendment 1 was submitted through requisition #521193, which was approved by Budget on 5/30/24. This Amendment requests to extend time through 6/30/29 (5 years) and adding \$940,000.00 in funding. There will be no change in scope or terms and conditions.

Innovyze clearances expire 2/9/25. A formal amended contract document has been sent to the vendor for signature.

SUMMARY

A. Contract No.:	6003486 (CS-1964)
B. Initial Contract Amount:	\$180,000.00
C. Proposed Amendment No. 1 Amount:	\$940,000.00
D. Proposed New Total Contract Amount:	\$1,120,000.00
E. Initial Contract Term:	7/1/21 - 6/30/24 (3 years)
F. Proposed Amendment No. 1 Extension:	7/1/24 - 6/30/29 (5 years)
G. Proposed New Contract Term:	7/1/21 - 6/30/29
H. Funding Source:	O&M Funds
I. GL String(s):	
	5720-20168-483301-622302-000205-10790-0000-000000 - 38.2% Water
	5820-20179-493301-622302-000226-15805-0000-000000 - 61.8 % Sewer
J. Projected Fiscal Year (FY) Contract Expenditures:	
	FY 24/25: \$188,000.00
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	FY 24/25: \$188,000.00
	FY 24/25: \$188,000.00

This proposed contract was presented to the DWSD Finance Sub Committee on July 8, 2024. Per DWSD procurement protocol, this will also be sent for Mayoral review.