



Detroit Water and Sewerage Department

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Legislation Text

File #: 21-0453, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract 6003462 utilizing the Omnia Partners Cooperative Contract #180233-002 with Oracle America Inc. DBA Mythics Inc. for the ongoing quarterly maintenance of Oracle Cloud licenses, for a total contract not-to-exceed amount of \$4,244,220 and a term of 2.5 years.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of April 21, 2021

Item No. 21-0453

Contract No.: 6003462

Contractor: Mythics, Inc., 4525 Main Street, Ste. 1500 Virginia Beach, VA 23462

Contract Amount: \$4,244,220

Contract Term: 5/22/21 - 11/30/23

Note: The cooperative contract includes 5 one-year renewal options (through 2028). DWSD will seek BOWC approval to exercise renewal options and add additional funds.

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

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Proposed Contract 6003462
New contract for Oracle Software License & Support Services

MOTION

Upon recommendation of Mamata Burgi, DWSD Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department, authorizes the Director to approve **DWSD Contract 6003462 utilizing the Omnia Partners Cooperative Contract #180233-002 with Oracle America Inc. DBA Mythics Inc. for the ongoing quarterly maintenance of Oracle Cloud licenses, for a total contract not-to-exceed amount of \$4,244,220 and a term of 2.5 years.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

The Oracle software system is the financial enterprise resource planning (ERP) system used by the DWSD and the City of Detroit (CoD). This is the system of financial record and is used to manage and integrate key business processes including requisitioning, budgeting, purchase orders, payments, contracts, etc. Maintaining Oracle licenses is critical to the organization in order to keep all IT infrastructure up and running. Gaps in licensing and services can cause the licenses to expire and systems turned off.

In 2017, DWSD and GLWA entered into a user license agreement (ULA) with Oracle doing business as (DBA) Mythics, for the license, support and maintenance services of DWSD's Oracle licenses. As part of that agreement, DWSD setup an Oracle Cloud subscription in order to replace DWSD's on premise computer infrastructure. The migration was solidified in 2018 with a 3-year agreement with Mythics under the Omnia Partners Cooperative Contract # agreement for Oracle Cloud Services. (May 2018 through May 2021).

In May of 2019, DWSD amended that agreement to utilize Oracle Universal Cloud Credits and upgrade to Oracle Cloud Generation 2 for zero cost. Since then, DWSD has completed the Oracle Cloud Generation 2 migration and continued to migrate DWSD infrastructure from the GLWA network to the City of Detroit network.

The current National IPA cooperative contract DWSD is close to expiry; therefore, this proposed cooperative contract through Omnia Partners (formerly known as US Communities with the same vendor, Oracle DBA Mythics), will replace the current contract to ensure there is no gap in licensing or services. Oracle DBA Mythics specifically suggested utilizing Omnia Partners #180233-002 rather than the other cooperatives for these same services as the pricing is up to 45% off the list price for the long term management of the contract; thereby, benefitting DWSD.

Cooperative Contract #180233-002 expires 11/30/23 and has five one-year renewal options DWSD will seek the BOWC's approval for extensions based on the following criteria:

- Omnia Partner's executed extension(s) of the contract,
- availability of budgeted funds
- satisfactory performance by the vendor

PROCUREMENT METHOD

This proposed contract was initiated through Requisition #483847, which was approved on 3/25/21. The DWSD Procurement Policy allows for participation in cooperative purchasing agreements from other public purchasing consortiums for competitively solicited contracts. OMNIA through Maricopa County, AZ issued, a Request for Proposals for Oracle products and services and was awarded based on the highest ranked Proposer. The contract term is through 11/30/23 with the option to renew for five (5) additional one-year terms. At this time, DWSD is only asking for authorization through November 2023 and will submit additional requests to the BOWC for each renewal option exercised by Omnia Partners and additional funds, as needed, to fund the extensions.

Prior to utilizing a cooperative contract, the DWSD Procurement Policy requires Detroit Based Businesses (DBB) and Detroit Resident Businesses (DRB) be provided an exclusive opportunity to submit a bid that is equal to or less than the price of the cooperative purchase agreement, provided the DBB or DRB will meet or

exceed all terms and conditions of the cooperative agreement. To ensure compliance, DWSD Procurement issued an Invitation to Respond (ITR) on the MITN website on 3/26/21 and required an intent to respond due on 4/1/21 and closed pm 4/8/21. The ITR opportunity was advertised to 202 companies subscribing to the relevant NIGP code(s). The ITR as viewed by 18 companies, and yielded one intent to bid intent. 22nd Century Technologies submitted a bid intent, whom is not a DBB or DRB and does not qualify per the policy.

Mythic's clearances expire on 2/9/22 and the vendor has requested DWSD's signature on their quote form. Per DWSD procurement protocol, Mayoral review will also be obtained.

SUMMARY

- A. Contract No.: 6003462
- B. Contract Amount: \$4,244,220
- C. Contract Term: 5/22/21 - 11/30/23, with 5 one-year renewal options exercisable by the BOWC
- D. Funding Source: O&M Funds
- E. GL String(s):
5720-20168-483301-622302-000205-10790-0000-000000 - 30% Water
5820-20179-493301-622302-000226-15805-0000-000000 - 70 % Sewer
- F. Anticipated Fiscal Year (FY) Spend:
FY 21-22: \$1,414,740
FY 22-23: \$1,414,740
FY 23-24: \$1,414,740

This proposed contract was presented to the DWSD Finance Committee on April 7, 2021. Per DWSD procurement protocol, Mayoral Review and City Council approvals will be obtained.