



Detroit Water and Sewerage Department

735 Randolph Street
Detroit, Michigan 48226
(313) 224-4704 Office
dwsd.legistar.com

Legislation Text

File #: 21-0578, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department conditionally authorizes the Director to approve **DWSD Single Source Contract No. 6003771 (Project CS-1968) with Applications Software Technology (AST) LLC. for Oracle Supply Chain Implementation Services for a total contract not-to-exceed amount of \$429,925 and a term of twelve (12) months.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of September 15, 2021

Item No. 21-0578

Contract No.: 6003771 / CS-1968

Contractor: Applications Software Technology (AST) LLC

Address: 4343 Commerce Court, Ste 701, Lisle, IL 60532

Proposed Contract Amount: \$429,925.00

Proposed Current Contract Term: 9/1/21 - 8/31/22 (12 months)

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

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Proposed Contract 6003771
New Single Source contract with AST, LLC. For Oracle Supply Chain Implementation Services

MOTION

Upon recommendation of Mamata Burgi, Operations Resource Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department, conditionally authorizes the Director to approve **DWSD Single Source Contract No. 6003771 (Project# CS-1968) with Applications Software Technology (AST) LLC. for Oracle Supply Chain Implementation Services for a total contract not-to-exceed amount of \$429,925 and a term of twelve (12) months.** This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

DWSD currently uses the City of Detroit's instance of Oracle FUSION ERP for financial management and GLWA's instance of Oracle WAM for Inventory and Supply Chain Management. As part of DWSD's effort to separate from GLWA, GLWA provided services are being migrated to DWSD supported services or replaced with COD supported services. DWSD is planning to replace Oracle WAM with Oracle Supply Chain, a module of Oracle FUSION.

DWSD is required to utilize AST, LLC since they hold the current contract with the City of Detroit for support and implementation of Oracle Fusion ERP system and related modules (Contract 6003001). Because AST is the existing vendor, DWSD is required to use AST for implementation and support.

In having the same vendor implements Oracle Supply Chain, DWSD and COD ensures that compatibility and integration with FUSION will be seamless and completed by the same organization that supports the main FUSION ERP system.

DWSD developed a statement of work and approached AST for a proposal in early 2020. In November of 2020, DWSD asked for a price review from AST based on the ongoing COVID crisis and received an updated proposal. The November proposal is a fixed fee proposal based on the scope provided.

PROCUREMENT METHOD - *SINGLE SOURCE EXCEPTION*

The DWSD IT Department submitted requisition 489757, that was approved on 8/2/21, requesting a new contract with AST, LLC, for twelve (12) months for a not-to-exceed amount of \$429,925.00. This contract is being processed as a Single Source Exception to Competitive Solicitation (ECS) since AST, LLC holds the current contract for support and implementation of FUSION ERP and its modules for the City of Detroit (CPA #6003001). Because AST is the existing vendor, DWSD is required to use AST for implementation and support. The ECS was approved by Director Brown on 8/2/21.

AST's clearances expired on 4.2.2021. An email was sent to the company to request their renewal and they acknowledged. They applied immediately and are currently pending clearance approval.

DWSD Procurement is recommending a conditional approval due to the following open issues.

- A vendor signed contract is pending. DWSD Procurement anticipates this will be signed by the Contractor in time for the BOWC meeting on 9/15/21.
- Vendor's clearances are pending approval.

With the BOWC's conditional approval, DWSD Procurement will issue the relevant Purchase Orders after this item has been favorably addressed. Per DWSD procurement protocol, no other approvals are required.

SUMMARY

A. Contract No.: 6003771/ CS-1968
B. Contractor: AST, LLC.
C. Contract Amount: \$429,925
D. Contract Term: 9/1/21 - 8/31/22
E. Funding Source: CIP Funds
F. GL String(s):
 5721-20244-487711-644111-004104-30129-0000-000000 - 30% Water
 5821-20243-497711-644111-004104-30129-0000-000000 - 70 % Sewer

G. Fiscal Year Breakdown: FY 21-22: \$322,444
 FY 22-23: \$107,481

This proposed contract was presented to the DWSD Finance Sub Committee on September 1, 2021. Per DWSD procurement protocol, no further approvals are needed.