



Detroit Water and Sewerage Department

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Legislation Text

File #: 21-0584, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **DWSD Contract No. 6003730 (Project CS-1967) with Oracle America, Inc., for Supply Chain Module Implementation Consulting Services for a total contract not-to-exceed amount of \$357,305 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. 21-0584

Contract No.: 6003730

Contractor: Oracle America, Inc.

Proposed Contract Amount: \$357,305

Proposed Current Contract Term: 9/17/21 - 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 6003730
New contract with Oracle America, Inc., for Oracle Consulting Services

MOTION

Upon recommendation of Mamata Burgi, Operations Resource Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department, authorizes the Director to approve **DWSD Contract No. 6003730 (Project# CS-1967) with Oracle America, Inc., for Supply Chain Module Implementation Consulting Services for a total contract not-to-exceed amount of \$357,305 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.

Currently, support for FUSION ERP and implementation for this project is provided by AST through City of Detroit Contract 6003725. DWSD is requesting that Oracle Consulting Services aid DWSD by providing objective, outside consulting services to ensure effective use of FUSION and Supply Chain functionality to accomplish DWSD needs for Finance, and inventory management.

In 2020, DWSD approached Oracle Consulting Services (OCS) for support on the implementation of Oracle Supply Chain. OCS proposed a Time & Materials contract to cover approximately 170 person days of consulting. Days will be billed to the project as they are incurred. Unused days will not be billed to DWSD. The flexibility of a time and materials allows OCS to bring in consultants to assist DWSD with various skills sets and expertise levels in order to provide DWSD with the best available resources.

The proposal also included expenses for travel, but the travel costs will not be included since no onsite work will be permitted given COVID-19 restrictions.

PROCUREMENT METHOD - *SINGLE SOURCE EXCEPTION*

The DWSD IT Department submitted requisition 489727, that was approved on 8/18/21, requesting a new contract with Oracle America, Inc., for twelve (12) months for a not-to-exceed amount of \$357,305.00. This contract is being processed as a Single Source Exception to Competitive Solicitation (ECS) due to Oracle, as the manufacturer of both FUSION and Supply Chain, has a professional staff with in-depth, expert knowledge of the product and can advise on the capabilities of the products and ways to improve functionality and adoption, and the project timeline has the system up and running by the end of January 2022. Given this timeline, there is not time to competitively solicit for assistance on this project. The ECS was approved by Director Brown on 8/17/21.

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.

Oracle's clearances are currently valid and expire 1/5/2022. Per DWSD procurement protocol, no other approvals are required.

SUMMARY

A. Contract No.: 6003730
B. Contractor: Oracle America, Inc.

C. Contract Amount: \$357,305

D. Contract Term: 9/17/21 - 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: \$357,305

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