

RESOLUTION NO. 2007-27

AUTHORIZING SOLE SOURCE CONTRACT NO. 2007-004 WITH ORACLE CORPORATION FOR THE PURCHASE OF ORACLE SOFTWARE MAINTENANCE AND SUPPORT SERVICES FOR A PERIOD OF ONE YEAR AT A TOTAL COST OF \$296,410.38 (GENERAL FUND, INFORMATION SYSTEMS DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Authority currently utilizes several Oracle-licensed products for financial and human resource management applications; and

WHEREAS, annual maintenance and support is required to maintain these software applications; and

WHEREAS, said maintenance and support are only available through Oracle Corporation located at 500 Oracle Parkway, Redwood City, CA 94065, the original licensor of these systems; and

WHEREAS, the Ohio Revised Code, Section 306.43H(3) provides that competitive bidding is not required when the expenditure is for a renewal or re-negotiation or a lease of license for telecommunications or electronic data processing equipment, service or systems, or for the maintenance thereof as supplied by the original source or its successors or assigns; and

WHEREAS, Oracle Corporation has offered to provide said maintenance and support services at a negotiated price of two hundred ninety-six thousand four hundred ten & 38/100 dollars (\$296,410.38) for a period of one year; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Oracle Corporation, as negotiated, to provide maintenance and support services for the Oracle Financials and Human Resource Management software programs to be in the Authority's best interest and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the offer of Oracle Corporation, as negotiated, to provide maintenance and support services for the Oracle Financials and Human Resource Management software programs for a period of one year be and the same is hereby accepted as in the best interest of the Authority.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Oracle Corporation to provide maintenance and support services for the Oracle Financials and Human Resource Management software programs for a period of one year.

Section 3. That said contract shall be payable out of the General Fund, Information Systems Department budget at a total price of two hundred ninety-six thousand four hundred ten & 38/100 dollars (\$296,410.38) for a period of one year.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon compliance by the contractor to Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2006-77; bonding and insurance requirements and all applicable laws relating to the contractual obligation of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects Oracle Corporation will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: February 20, 2007



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

Title/Description: AUTHORIZING SOLE SOURCE CONTRACT NO. 2007-004 WITH ORACLE CORPORATION FOR THE PURCHASE OF ORACLE SOFTWARE AND MAINTENANCE SUPPORT SERVICES FOR A PERIOD OF ONE YEAR AT A TOTAL COST OF \$296,410.38 (GENERAL FUND, INFORMATION SYSTEMS DEPARTMENT BUDGET)	Resolution No.: 2007-27
	Date: February 15, 2007
	Initiator: Information Systems Department
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to obtain software upgrades and technical maintenance and support on various Oracle products for a period of one year.
- 2.0 **DESCRIPTION/JUSTIFICATION:** GCRTA has been utilizing the Oracle Applications since 1995. Annual maintenance and support is required to maintain the Oracle Financials and Human Resource Management software programs. The Oracle application is a proprietary product designed and maintained exclusively by the Oracle Corporation.
- 3.0 **PROCUREMENT BACKGROUND:** This sole source contract for maintenance and support services is exempted from competitive bidding as authorized by Section 306.43H(3) of the Ohio Revised Code. After negotiations, Oracle Corporation offered to provide maintenance and support for the Oracle Financials and Human Resource Management software programs for a total cost of \$296,410.38. This price represents a discount from the rates listed in the State Cooperative Purchasing Agreement.

 The Information Systems Department reviewed the offer for adherence to the technical scope. A price analysis was performed and the Procurement Department has determined the negotiated price to be fair and reasonable to the Authority.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of subcontracting opportunity.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** This contract will be funded through the General Fund, Information Systems Department budget at a total price of two hundred ninety-six thousand four hundred ten & 38/100 dollars (\$296,410.38) for a period of one year. This is the budgeted amount for this purchase and is a 3% increase to the annual amount paid in 2006.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would leave the Oracle software programs without adequate maintenance and support.

- 8.0 **RECOMMENDATION:** It is recommended that the offer of Oracle Corporation, as negotiated, be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 **ATTACHMENTS:** None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement Requirements.



CEO, General Manager/Secretary-Treasurer