

RESOLUTION NO. 2012-14

AUTHORIZING AN INCREASE TO CONTRACT NO. 2011-039 WITH APPLICATION SOFTWARE TECHNOLOGY CORPORATION TO PROVIDE ADDITIONAL ORACLE APPLICATIONS UPGRADE ASSISTANCE IN AN AMOUNT NOT TO EXCEED \$622,980.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,787,100.00 (RTA DEVELOPMENT FUND, INFORMATION TECHNOLOGY DEPARTMENT BUDGET)

WHEREAS, the Authority deemed it necessary to procure the services of a qualified Oracle consultant to provide assessment, upgrade and support services; and

WHEREAS, by Resolution No. 2011-56, the Board of Trustees authorized Contract No. 2011-039 with Applications Software Technology Corporation located at 1755 Park Street, Suite 100, Naperville, IL 60563 to provide the assessment services in an amount not to exceed \$1,065,000.00; and

WHEREAS, the General Manager/Secretary-Treasurer's approval of one change order in an amount of \$99,120.00 increased the total contract total amount to \$1,164,120.00; and

WHEREAS, the Authority now deems it necessary to implement the second phase of this project which includes implementation of additional applications, business process improvements and licensing; and

WHEREAS, Applications Software Technology Corporation has offered to provide these additional services in a negotiated amount not to exceed \$622,980.00 which will result in a total contract amount not to exceed \$1,787,100.00; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Application Software Technology Corporation for said consulting services, as negotiated, to be in the best interest of the Authority 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 proposal submitted by Application Software Technology Corporation to provide Oracle assessment, upgrade and support services, as modified by negotiations, be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Application Software Technology Corporation to provide said services.

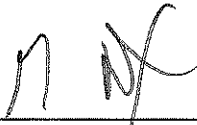
Section 3. That said increase shall be payable from the RTA Development Fund, Information Technology Department budget, including but not limited to 100% Local funds and future Capital Grant funds to be determined, in an amount not to exceed \$622,980.00 for a total contract amount not to exceed \$1,787,100.00.

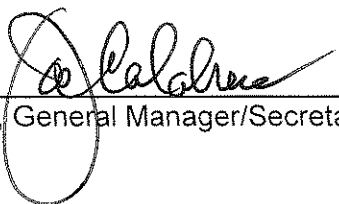
Section 4. That the General Manager/Secretary-Treasurer change order authority be reinstated to its entirety.

Section 5. That all other terms and conditions of said contract shall remain unchanged.

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

Adopted: March 20, 2012

  
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President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

<b>TITLE/DESCRIPTION:</b> CONTRACT: INCREASE TO ORACLE APPLICATIONS UPGRADE ASSISTANCE  <b>VENDOR:</b> APPLICATIONS SOFTWARE TECHNOLOGY CORPORATION  <b>AMOUNT:</b> INCREASE NOT TO EXCEED \$622,980.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,787,100.00	<b>Resolution No.:</b> 2012-14
	<b>Date:</b> March 15, 2012
	<b>Initiator:</b> Information Technology
<b>ACTION REQUEST:</b> <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 increase Contract No. 2011-039 to provide additional Oracle upgrade assistance including implementation of additional applications, business process improvement and licensing.

2.0 **DESCRIPTION/JUSTIFICATION:** The Authority is currently contracted with Applications Software Technology Corporation (AST) to provide Oracle application and technology skills to upgrade GCRTA's current Oracle environment (11i) to the current release (R12). There are three phases: Assessment, Upgrade and Support. Phase 1, which was the assessment phase, is now complete and the Authority now requests authorization to implement the additional applications, business processes and licensing that will be needed for the Phase 2 - Upgrade. The project's Steering Committee, which includes several Authority's Executive Management Team members, have made their determinations on what applications are the most beneficial and cost effective to the Authority and are now returning to the Board of Trustees requesting approval to implement those options.

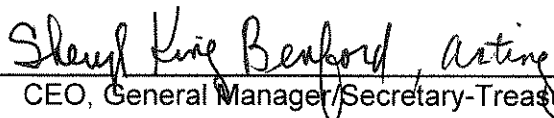
3.0 **PROCUREMENT BACKGROUND:** In July 2011, the Board of Trustees by Resolution No. 2011-56 authorized a competitive contract with Applications Software Technology Corporation (AST) to provide Oracle Applications Upgrade Assistance in an amount not to exceed \$1,065,000.00 for Phase 1 of the project, which was the assessment. To keep the project on track, on February 17, 2012, the General Manager/Secretary-Treasurer approved a change order in the amount of \$99,120.00 for a total contract amount not to exceed \$1,164,120.00.

The Steering Committee, along with AST, are recommending that we implement additional applications including Project Costing, Learning Management and Procurement Contracts. In addition, implementation of Business Process Improvements (BPI) for Accounting & Payroll, Procurement, HR and OMB and Licensing are also being requested. These additional services were negotiated in an amount not to exceed \$622,980.00, which will result in a total contract amount not to exceed \$1,787,100.00.

The implementation of additional applications, business processes and licensing exceeds the General Manager/Secretary-Treasurer's change order authority. This increase was reviewed by the Change Order Committee. A cost analysis was performed and the Procurement Department has determined the negotiated offer of Applications Software Technology Corporation to provide these additional services is fair and reasonable to the Authority.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: A 15% DBE participation goal was established for this procurement in 2011, which the company met. Application Software Technology Corporation (AST) has agreed to maintain the established DBE participation goal on the project through the use of its existing DBE firms.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This increase will be funded through the RTA Development Fund, Information Technology Department budget, including but not limited to 100% Local funds and future Capital Grant funds to be determined, in the amount of \$622,980.00 for a total contract amount not to exceed \$1,787,100.00. This amount is approximately 10% below the budget estimate of \$692,534.00 for these additional services.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this amendment would delay the implementation of the Release 12 upgrade and risk not having support of these critical applications in 2013.
- 8.0 RECOMMENDATION: This procurement was discussed at the March 6, 2012 Finance Committee meeting and recommended for approval to the Board of Trustees. It is recommended that the offer of Application Software Technology Corporation, as negotiated, be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENTS: Change Order Log.

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

  
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CEO, General Manager/Secretary-Treasurer

# CHANGE ORDER LOG

## CONTRACT NO. 2011-039 Oracle Apps Upgrade Assistance

Contract #2011-039

Contractor: AST Corporation

Original Contract Amount \$ 1,065,000.00

Total G.M. C.O. Authority \$106,500

Total Change Order Amount To Date \$99,120.00

<i>ITEM NO.</i>	<i>NOTE No.</i>	<i>APPROVAL DATE</i>	<i>CHANGE ORDER</i>	<i>APPROVAL AUTHORITY</i>	<i>NEW CONTRACT AMOUNT</i>
1	1	February 17, 2012	\$ 99,120.00	General Manager	\$1,164,120.00
2	2	TBD	TBD	Board of Trustees	TBD

### NOTES/CHANGE ORDER DESCRIPTION:

1. Recommended Improvements prior to R12 upgrade – as recommended by the Steering Committee.
2. Recommended Implementations/Options/Licenses – as recommended by the Steering Committee.