

RESOLUTION NO. 2018-7

AUTHORIZING CONTRACT NO. 2017-167 WITH ULTRAMAIN SYSTEMS, INC. TO PROVIDE SOFTWARE MAINTENANCE FOR THE AUTHORITY'S CITME MAINTENANCE AND MATERIALS MANAGEMENT SYSTEM FOR A PERIOD OF ONE YEAR IN AN AMOUNT NOT TO EXCEED \$336,509.24 WITH TWO ANNUAL RENEWALS IN AMOUNTS NOT TO EXCEED \$348,287.06 AND \$360,477.11, RESPECTIVELY, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,045,273.41 (GENERAL FUND, INFORMATION TECHNOLOGY DEPARTMENT BUDGET)

WHEREAS, the Authority currently utilizes Ultramain Systems, Inc. licensed products for its maintenance and materials management applications; and

WHEREAS, this maintenance and materials management software is proprietary to Ultramain Systems, Inc. (f.k.a. Software Solutions Unlimited), the original provider and installer of this software; and

WHEREAS, the offer of Ultramain Systems, Inc. located at 8100 Lang Avenue, Albuquerque, New Mexico 87109, to provide software maintenance and support services was received on December 8, 2017; and

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

WHEREAS, after negotiations, an amount of \$336,509.24 for a one-year period beginning February 1, 2018, with two annual renewals in amounts not to exceed \$348,287.06 and \$360,477.11, respectively, for a total contract amount not to exceed \$1,045,273.41 was agreed upon; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the negotiated offer of Ultramain Systems, Inc. to provide software maintenance and support services for the CITME maintenance and materials management system 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 offer of Ultramain Systems, Inc., as negotiated, to provide software maintenance and support services for the Authority's CITME maintenance and materials management system for a period of one year beginning February 1, 2018, with two annual renewals, be and the same is hereby accepted.

Section 2. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a sole source contract with Ultramain Systems, Inc. to provide software maintenance, support, and training services for a period of one year beginning February 1, 2018, with two annual renewals.

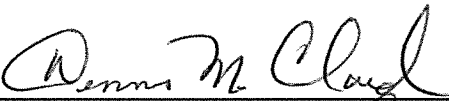
Section 3. That said contract shall be payable from the General Fund, Information Technology Department budget in an amount not to exceed \$336,509.24 for a one-year period beginning February 1, 2018, with two annual renewals in amounts not to exceed \$348,287.06 and \$360,477.11, respectively, for a total contract amount not to exceed \$1,045,273.41.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2015-76; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Ultramain Systems, Inc. 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: January 16, 2018

  
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President

Attest:   
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CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT: ULTRAMAIN SOFTWARE MAINTENANCE</b>  <b>VENDOR: ULTRAMAIN SYSTEMS, INC.</b>  <b>AMOUNT: AN AMOUNT NTE \$336,509.24 FOR ONE YEAR WITH TWO ANNUAL RENEWALS IN AMOUNTS NTE \$348,287.06 AND \$360,477.11, RESPECTIVELY, FOR A TOTAL CONTRACT AMOUNT NTE \$1,045,273.41</b>	<b>Resolution No.:</b> 2018-7
	<b>Date:</b> January 11, 2018
	<b>Initiator:</b> Information Technology / Intelligent Transportation Systems
<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 enter into a sole source agreement for software maintenance and support for its CITME maintenance and materials management system for a period of one year with two annual renewals.
  
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority requires a maintenance agreement for the CITME maintenance and materials management system. This system is an intricate part of the Operations Division that manages materials usage and the work order system, including documentation of labor used to provide both fleet and facilities management. CITME also provides real time updates to the Authority's inventory system. It is interfaced to the Authority's Oracle Financial Management and Purchasing system. The reports generated through CITME provide management tools that allow for analysis of both maintenance processes and contractor performance.
  
- 3.0 **PROCUREMENT BACKGROUND:** This sole source contract is exempt from competitive bidding as authorized under Section 306.43(H)(3) of the Ohio Revised Code. Ultramain Systems, Inc. (fka Software Solutions Unlimited) developed this maintenance and materials management system on a proprietary basis and is the only source for maintenance services. The maintenance contract will cover a one-year period from February 1, 2018 through January 31, 2019 in the amount of \$336,509.24. It will also include two annual maintenance renewal periods from February 1, 2019 through January 31, 2020 and February 1, 2020 through January 31, 2021 in negotiated amounts not to exceed \$348,287.06 and \$360,477.11, respectively. Annual increases were negotiated at 3.5% per year over each prior year, a decrease from the 4.2% per year increases in previous contracts. Further reductions were negotiated to remove annual banked training services, resulting in additional savings of \$60,000.00 per year.

The Procurement Department requested a proposal from Ultramain Systems, Inc. The Intelligent Transportation Systems and Information Technology departments reviewed the proposal for adherence to the technical requirements. A cost 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 participation goal was established for this procurement because it is the maintenance of proprietary software and by agreement such work is exclusive to the original software provider and installer.
  
- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 ECONOMIC IMPACT: This contract will be funded through the General Fund, Information Technology Department budget in an amount not to exceed \$336,509.24 for a one year period beginning February 1, 2018, with two annual renewals in amounts not to exceed \$348,287.06 and \$360,477.11, respectively, for a total contract amount not to exceed \$1,045,273.41. This is within the budgeted amount for this project.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would prevent continued maintenance of the CITME/Ultramain software and risk breakdowns in the Authority's maintenance and materials management system.
- 8.0 RECOMMENDATION: It is recommended that the offer of Ultramain Systems, Inc., as negotiated, be accepted and the resolution passed authorizing the CEO, 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.



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CEO, General Manager/Secretary-Treasurer