

RESOLUTION NO. 2024-11

AUTHORIZING CONTRACT NO. 2023-200 WITH ULTRAMAIN SYSTEMS, INC. TO PROVIDE ULTRAMAIN SOFTWARE MAINTENANCE, SUPPORT AND HOSTING SERVICES IN AN AMOUNT NOT TO EXCEED \$1,766,631.00 FOR A PERIOD OF THREE (3) YEARS (GENERAL FUND, INFORMATION TECHNOLOGY DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") currently utilizes Ultramain Systems, Inc. licensed products ("Ultramain") for its maintenance and materials management applications; and

WHEREAS, the Authority's Ultramain software is proprietary to Ultramain Systems, Inc., the original provider and installer of this software; and

WHEREAS, The Authority transitioned its maintenance and materials management software applications from an on-premises environment to a hosted solution through Ultramain Systems, Inc. in 2022; and

WHEREAS, Ultramain Systems, Inc. has offered to continue to provide the Authority with maintenance, support and hosting services for its maintenance and materials management software applications for a period of three (3) years; and

WHEREAS, R.C. 306.43(H)(3) provides that competitive bidding is not required when the expenditure is for a renewal or renegotiation of 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, the offer of Ultramain Systems, Inc., located at 8100 Lang Avenue, Albuquerque, New Mexico 87109, to provide software maintenance, support and hosting services for a period of three (3) years was received on September 28, 2023; and

WHEREAS, after negotiations, a total price not to exceed \$1,766,631.00 (Yr. 1 - \$566,463.00; Yr. 2 - \$588,581.00; Yr. 3 - \$611,587.00) for a period of three (3) years was agreed upon; and

WHEREAS, the General Manager, Chief Executive Officer deems the offer of Ultramain Systems, Inc., as negotiated, to provide maintenance, support and hosting services for the Authority's Ultramain maintenance and materials management system for a period of three (3) years, 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 maintenance, support and hosting services for the Authority's Ultramain maintenance and materials management system for a period of three (3) years be and the same is hereby accepted.

Section 2. That the General Manager, Chief Executive Officer of the Authority be and she is hereby authorized to enter into a contract with Ultramain Systems, Inc., as negotiated, to provide maintenance, support and hosting services for the Authority's Ultramain maintenance and materials management software for a period of three (3) years.

Section 3. This contract shall be payable through the General Fund, Information Technology department budget for a total contract amount not to exceed \$1,766,631.00 (Yr. 1 - \$566,463.00; Yr. 2 - \$588,581.00; Yr. 3 - \$611,587.00) for a period of three (3) years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor with the specifications and addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the 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 23, 2024



President

Attest:



Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: ULTRAMAIN SOFTWARE MAINTENANCE, SUPPORT AND HOSTING VENDOR: ULTRAMAIN SYSTEMS, INC. AMOUNT: NOT TO EXCEED \$1,766,631.00 FOR A PERIOD OF THREE (3) YEARS	Resolution No.: 2024-11
	Date: January 18, 2024
	Initiator: Information Technology 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 Greater Cleveland Regional Transit Authority (“Authority”) to enter into a negotiated agreement for software maintenance, support and hosting for its Ultramain maintenance and materials management application system for a period of three (3) years.

2.0 **DESCRIPTION/JUSTIFICATION:** The Authority requires a maintenance and support agreement for its maintenance and materials management software system (“Ultramain”). This system is an integral part of the Operations Division for managing materials usage and the work order system, including documentation of labor used to perform both fleet and facilities maintenance. Ultramain 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 Ultramain provide management tools, allowing for analysis of both maintenance processes and contractor performance.

The Authority utilized an on-premises environment for this software prior to 2022, maintaining the servers, operating system, and databases for Ultramain with in-house staff. Maintaining the on-premises environment created a burden on Authority resources and exposed the Authority to risks associated with having a single point of failure. By utilizing Ultramain Systems, Inc. to host its software offsite frees up critical Authority resources and provides a more redundant and reliable solution.

3.0 **PROCUREMENT BACKGROUND:** Pursuant to R.C. 306.43(H)(3), competitive procedures are not required when the expenditure is for a renewal or renegotiation of 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. Ultramain Systems, Inc. is the original provider of the Authority’s maintenance and materials management software applications. The software was developed on a proprietary basis, and Ultramain Systems, Inc. is the only source for providing any modifications, development, or maintenance services for the software.

The Procurement Department requested a proposal from Ultramain Systems, Inc. on September 21, 2023. Ultramain Systems, Inc. offered to provide Ultramain maintenance and materials management software support and hosting services for a period of three (3) years in a total amount not to exceed \$1,766,631.00 (Yr. 1 - \$566,463.00; Yr. 2 - \$588,581.00; Yr. 3 - \$611,587.00). Annual increases were negotiated at 4% per year over each prior year. The Information Technology and Procurement Departments reviewed the proposal for adherence to the technical requirements. The proposal submitted by Ultramain Systems, Inc., as negotiated, is 2% below the independent cost estimate of \$1,795,000.00, which was based on historical pricing.

A cost analysis has been performed, and the Procurement Department determined that the negotiated price is 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 because it is for the maintenance of proprietary software, which work is limited and exclusive to the original provider and installer by agreement.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** This contract shall be payable through the General Fund, Information Technology Department budget, for a total contract amount not to exceed \$1,766,631.00 (Yr. 1 - \$566,463.00; Yr. 2 - \$588,581.00; Yr. 3 - \$611,587.00). This amount is approximately 2% below the estimate for this project.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would result in the Authority's Ultramain software system lacking support, thereby increasing susceptibility to potential downtime which could result in the loss of functionality of the critical maintenance and materials management system vital to the Authority.
- 8.0 **RECOMMENDATION:** This procurement was discussed by the Board of Trustees at the January 9, 2024, Organizational, Services & Performance Monitoring Committee meeting. It is recommended that the offer of Ultramain Systems, Inc., as negotiated, be accepted and the resolution adopted authorizing the General Manager, Chief Executive Officer 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.



General Manager, Chief Executive Officer