

MOTION NO. M2016-18
Amendment to Enterprise Asset Maintenance Software and Services Contract

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	2/04/2016	Recommend to Board	Brian McCartan, CFO Jason Weiss, CIO
Board	2/25/2016	Final Action	Tom Dowling, Sr. Project Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Trapeze Software Group, Inc. to provide licensed software, software maintenance and support, and optional professional consulting services for the Enterprise Asset Maintenance System in the amount of \$2,427,595, with a 10% contingency of \$242,760 totaling \$2,670,355, for a new total authorized contract amount not to exceed \$5,338,767.

KEY FEATURES SUMMARY

- Sound Transit is actively implementing an Asset Management Program (AMP) to manage \$4.9 billion in agency capital assets. The Enterprise Asset Maintenance System (EAMS) is a key element of the AMP.
- In 2011, the Board approved a contract with Assetworks, Inc. (now Trapeze Software Group Inc.) for software licensing and maintenance and related consulting services to implement the EAMS software agency wide. This contract was assigned to Assetworks's parent company Trapeze Software Group, Inc. in 2012.
- The original contract term was three years plus seven one-year options. The contract request included funding for five years.
- This action would fund option years six through ten to cover software licenses, additional software maintenance and related consulting services required for U-link, S.200th extension, Northgate Link extension, Tacoma Link expansion, Pt. Defiance Bypass and a portion of the East Link extension light rail vehicles as they are delivered.
- Contingency would be used for optional elements to include 1) professional consulting services for on-call and State of Good Repair implementation as software enhancements become available and 2) system components and software for managing non-revenue vehicle pools.
- Unlike most software vendors who license their products by user, server class or system, Trapeze software licensing is based on the number of assets under management. This translates into cost increases as Agency project assets are added, but provides no cost end user accounts and no cost for upgrading server capacity and performance.

BACKGROUND

To assure accountability and responsible stewardship of publicly-owned assets, Sound Transit developed and is implementing a strategic approach to managing transit infrastructure through the AMP. Main elements of the program include implementing the EAMS and strengthening the related business practices and functions around the new system. The EAMS tracks maintenance of capital assets across the agency, including Link Light Rail, Sounder, ST Express, transit centers, stations and other facilities, non-revenue fleet, ticket vending machines, and public art assets.

In October 2011, the Board authorized a contract with Assetworks for software, upgrades and support, and professional services for implementation. Assetworks was acquired by Trapeze Software Group, Inc. and the contract was assigned to Trapeze in 2012.

The original RFP was developed using a total cost of ownership approach. Total cost of ownership attempts to minimize the lifecycle costs of purchasing and owning the software. In addition to the qualitative evaluation factors, Proposers were evaluated on total cost to implement and maintain the system. Staff negotiated long-term pricing through 2024 for software licensing with Assetworks.

The total estimated five-year cost for the EAMS was \$3.9M. Five-year costs included the AssetWorks/Trapeze contract authorized under the original action, a term limited FTE project management position, computer hardware, software development services to integrate the Agency enterprise resource planning system with the new EAMS, and professional services to backfill staff heavily allocated to the project.

As of December 2015, the EAMS project team has implemented the program for Central Link, Tacoma Link, and Sounder Maintenance of Way assets. The project team is also preparing for U-Link revenue service.

The EAMS is a Web accessible software database system that tracks transit infrastructure, its maintenance and repair, condition and availability. The system provides maintenance personnel with preventive maintenance schedules, checklists, labor tracking, parts replacement features, ability to associate notes, photos and files with work orders linked to assets. Trapeze's EAMS software is widely used in the public transit sector and was determined to best meet the agency's pricing and functional requirements. The EAMS is used by over 130 Sound Transit and King County Operations maintenance personnel performing an average of over 1400 preventive maintenance and 700 repair work orders per month on over 5500 assets with inventory of over 6500 parts.

FISCAL INFORMATION

This action exercises the five year option contract with Trapeze Software Group, Inc. for an additional amount of \$2,670,355, for a total contract amount of \$5,338,767.

The total contract cost includes funding from both capital and department budgets. Implementation of the system is funded by the IT Capital Program. Ongoing system licensing and maintenance is funded through the department budget.

The IT Capital Program funds current and future IT system implementation. Individual initiatives are managed within the Program as subprojects. The IT- EAMS subproject has a current lifetime budget of \$3,798,000. An additional \$2,027,827 for new asset licenses, consulting services and the contingency will be charged to this subproject, resulting in a shortfall of \$916,055, which will be covered by available uncommitted funds from the program pool.

Capital costs in this action are within the Adopted Budget and sufficient funds remain after the approval of this action to fund the remaining work in IT capital program as contained in the current cost estimates.

The balance of the contract of \$642,529 for on-going software maintenance and support for the additional 5 years (2016 – 2020) will be included in future years budget requests under the Information Technology (IT) Division Budget under the Finance and Information Technology (FIT) Department.

CONTRACT DETAIL Trapeze Software Group, Inc.	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	2,668	2,584	2,428	5,096
Contingency Amount			243	243
Total Not to Exceed Value	2,668	2,584	2,670	5,339
Percent Contingency	0%	0%	10%	5%

INFORMATION TECHNOLOGY PROGRAM	2016 TIP	Spent to Date	This Action	Spent to Date Plus Action	Uncommitted / (Shortfall)
IT Capital	29,974	11,144	2,028	13,172	16,802
Agency Admin	696	622		622	74
Operations & Maintenance Agency	500				
Prelim Engineering/Env Review	1,065	216		216	849
TOTAL IT CAPITAL PROGRAM BUDGET	32,235	11,982	2,028	14,010	17,725

SUB PROJECT DETAIL	2016 TIP	Spent to Date	This Action	Spent to Date Plus Action	Uncommitted / (Shortfall)
IT Capital - Enterprise Asset Management	3,798	3,016	1,785	4,801	-1,003
IT Capital - Enterprise Asset Management - Contingency			243	243	-243
IT Capital - Other subprojects	15,721	8,128		8,128	7,593
IT Capital - Program Fund Pool	10,455				10,455
Total Sub Project Budget	29,974	11,144	2,028	13,172	16,802

FINANCE & INFORMATION TECHNOLOGY DEPARTMENT BUDGET	2016 Spending	Future Expenditures	Total
IT Department budget (2016 - 2020)	129	514	643
TOTAL FIT DEPARTMENT BUDGET	129	514	643

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Expenditures up to Dec 2015

The project budget located on page 108 of 116 of the Proposed 2016 Transit Improvement Plan (TIP)

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Participation by Small Businesses and Disadvantaged Business Enterprises (DBEs)

Sound Transit determined that Small Business and DBE subcontracting opportunities are infeasible or improbable based upon the work described in this contract, so Small Business/DBE goals were not established or required.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one month delay would not create a significant impact to the project schedule.

PRIOR BOARD/COMMITTEE ACTIONS

Motion M2011-73: Authorized the chief executive officer to execute a contract with AssetWorks for asset maintenance management software licensing, maintenance, and implementation services in the amount of \$2,320,358, with a 15% contingency in the amount of \$348,054, for a total authorized contract amount not to exceed \$2,668,412.

ENVIRONMENTAL REVIEW

JI 1/26/2016

LEGAL REVIEW

JW 01/28/2016

MOTION NO. M2016-18

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Trapeze Software Group, Inc. to provide licensed software, software maintenance and support, and optional professional consulting services for the Enterprise Asset Maintenance System in the amount of \$2,427,595, with a 10% contingency of \$242,760 totaling \$2,670,355, for a new total authorized contract amount not to exceed \$5,338,767.

BACKGROUND:

To assure accountability and responsible stewardship of publicly-owned assets, Sound Transit developed and is implementing a strategic approach to managing \$4.0 billion in agency capital assets and transit infrastructure through the Asset Management Plan (AMP). Main elements of the program include implementing the Enterprise Asset Management System (EAMS) and strengthening the related business practices and functions around the new system. The EAMS tracks maintenance of capital assets across the agency, including Link Light Rail, Sounder, ST Express, transit centers, stations and other facilities, non-revenue fleet, ticket vending machines, and public art assets.

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MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Trapeze Software Group, Inc. to provide licensed software, software maintenance and support, and optional professional consulting services for the Enterprise Asset Maintenance System in the amount of \$2,427,595, with a 10% contingency of \$242,760 totaling \$2,670,355, for a new total authorized contract amount not to exceed \$5,338,767.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 25, 2016.



Dow Constantine
Board Chair

ATTEST:



Kathryn Flores
Board Administrator