



## Motion No. M2023-13

### Contract Modification with Yenlo USA LLC for Enterprise Service Bus Long Term Services

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience & Operations Committee	02/02/2023	Final action	<b>Jason Weiss, Chief information Officer</b> Oktay Yildiz, IT Manager, Applications

### Proposed action

Authorizes the chief executive officer to execute a contract amendment with Yenlo USA LLC for Enterprise Service Bus long term services in the amount of \$920,000 for a new total authorized contract amount not to exceed \$2,420,000.

### Key features summary

- Sound Transit's Information Technology operates a multi-layer network environment with a need to integrate systems across layers and cloud-based systems. The network environment requires an integration platform (WSO2 platform) on which these multi-layers network integrations can be built and managed over time.
- The contract with Yenlo USA LLC will continue to provide consulting support for customization and updates to the WSO2 platform which is used for the Sound Transit Information Technology integration platform, including:
  - o Ongoing Maintenance for the WSO2 integration platform (an Enterprise Service Bus)
  - o Customization responsibilities provided on an on-call basis
- This action would enable Sound Transit to sustain the progress and continuation of the contract performance to ensure the quality and timely deliverables of services and works contemplated for under the contract.
- The original contract, authorized through Motion No. M2017-63, was for a five-year term with two five-year option terms. Sound Transit has exercised its option to extend the contract.
- The amount requested is sufficient to fund the five-year option contract term through July 2027. Committee approval will be requested for additional funding if staff decide to exercise the final five-year contract option.

### Background

Sound Transit relies on consultants to provide development and systems expertise needed to maintain stable and flexible software applications to meet business needs. The agency operates a multi-layer network environment with a need to integrate systems across those layers, and out to cloud-based

systems, which requires an integration platform on which these multi-layer network integrations can be built and managed over time.

Sound Transit evaluated different products that would form this integration platform and chose the WSO2 product suite. Having conducted a successful proof-of-concept and pilot implementation and demonstrated that WSO2 meets current and future identified needs, Sound Transit Information Technology Division is now building out a full development, test and production platform. The WSO2 platform was procured under a separate procurement.

To support this effort, Sound Transit requested proposals from firms to provide services to build, manage and maintain the integration platform based on the WSO2 product suites. As a result of this proposal process, we have chosen Yenlo USA LLC as the consultant to perform these tasks.

In May 2017, the former Operations and Administration Committee (now Rider Experience and Operations Committee) authorized Motion No. M2017-63. This action executed a contract with Yenlo USA, LLC for call support and maintenance services of WS02 application that is in production and is integrated with Sound Transit's. This contract was for a five-year term with two five-year option terms. Sound Transit has exercised its option to extend the contract to July 2027.

## **Procurement information**

Cost/Price Analysis/Fair & Reasonable Statement (ICE):

This service was advertised to the general public via a formal competitive Request for Proposal (RFP) No. RTA/RP 0163-16 on January 30, 2017. In response to this competitive Request for Proposals, 46 firms reviewed the requirements, and one proposal was received on March 3, 2017. Sound Transit procurement staff inquired of the other firms that reviewed the RFP requirements to understand why they did not submit a proposal. The primary reasons given for why more proposals were not submitted in response to this RFP was lack of experience or certifications for the required equipment on the RFP and lack of available resources to support, and/or the required work location. The one proposal was reviewed and evaluated using price, past performance, and other technical factors as the evaluation criteria. Even though only one proposal was received in response to this RFP, the proposal from Yenlo USA LLC was recommended by the proposal evaluation committee as meeting the requirements of the solicitation and the best value proposal submitted and was in the best interest to Sound Transit.

This contract was awarded for an initial five-year term from 2017 to 2022 along with two optional five-year extensions. When originally awarded, the proposed rates by Yenlo USA LLC for the initial five-year term and the rates for the option years were determined to be fair and reasonable based on competitive quoting and comparison to the ICE. The current rates are still fair and reasonable based on the market and previous experience. The contractor is performing in a satisfactory manner. There have been no changes in the contractual requirements, nor have there been any other changes in the market which would directly affect the cost of the contract or make re-solicitation of the requirement more advantageous to Sound Transit. The requested modification is within the original scope of the contract.

## **Fiscal information**

This action will amend the current contract by \$920,000 for a new total authorized contract amount not to exceed \$2,420,000 and will be funded from the services category within the Information Technology department's annual operating budget. The Services category budget is \$16,942,612, of which a total of \$180,000 is estimated to be spent from this action in 2023 and is currently within the agency's budget authority. After approval of this action, the remaining annual budget will be used to fund other department expenditures anticipated in the 2023 annual budget.

## Information Technology

(in thousands)

Cost Category	2023 Annual	YTD Actuals <sup>2</sup>	YTD Actuals Plus		Remaining Annual
	Operating Budget <sup>1</sup>		This Action (Current Year Impact Only)	This Action (Current Year Only)	
Salaries and Benefits	\$24,677	\$	\$	\$	\$24,677
Services	16,943	1,087	180	1,267	15,676
Materials and Supplies	804				804
Utilities	1,137				1,137
Miscellaneous	289				289
Leases and Rentals					
<b>Total Annual Operating Budget</b>	<b>\$43,850</b>	<b>\$1,087</b>	<b>\$180</b>	<b>\$1,267</b>	<b>\$42,583</b>

Contract Spending Plan	Forecasted Spend for Remainder of 2023			Total
	Spending to Date <sup>3</sup>	Future Spending	Total	
Yenlo USA LLC	\$1,006	\$180	\$1,234	\$2,420

Contract Detail	Board Approved Contract Value	Proposed Action	Proposed Revised Board Approved Contract Value
Yenlo USA LLC	\$1,500	\$920	\$2,420
Contingency			
Estimated Taxes			
<b>Contract Amount - Total</b>	<b>\$1,500</b>	<b>\$920</b>	<b>\$2,420</b>
Percent Contingency	0%	0%	0%

### Notes:

<sup>1</sup>2023 Annual Operating Budget is located on page 47 of the Proposed 2023 Budget book.

<sup>2</sup>No Actuals as of 01/10/23; includes impact of concurrent action presented

<sup>3</sup>Spending to Date as of 12/31/22.

Funding for the additional years of the contract will be included in future annual budget requests and accounted for within existing projections. This action does not affect affordability of the long-range financial plan projection.

## Disadvantaged and small business participation

### Participation by small businesses and disadvantaged business enterprises (DBEs)

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Small business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of small businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that there were few small business and DBE subcontracting opportunities based upon the work described in this contract, so small business/DBE goals were not established.

### Public involvement

Not applicable to this action.

### Time constraints

Not applicable to this action.

### Prior Board/Committee actions

Motion No. M2017-63: Authorized the chief executive officer to execute a five-year contract with two five-year option terms with Yenlo USA LLC to provide on-call software customization and maintenance consulting services in the amount of \$1,500,000.

**Environmental review – KH 1/23/23**

**Legal review – DM 1/26/23**



## Motion No. M2023-13

A motion of the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Yenlo USA LLC for Enterprise Service Bus long term services in the amount of \$920,000 for a new total authorized contract amount not to exceed \$2,420,000.

### Background

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This action would enable Sound Transit to sustain the progress and continuation of the contract performance to ensure the quality and timely deliverables of services and works contemplated for under the contract.

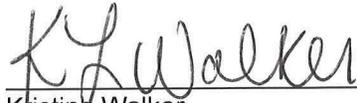
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**Motion**

It is hereby moved by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Yenlo USA LLC for Enterprise Service Bus long term services in the amount of \$920,000 for a new total authorized contract amount not to exceed \$2,420,000.

APPROVED by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 2, 2023.

  
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Kristina Walker  
Rider Experience and Operations Chair

**Attest:**

  
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Kathryn Flores  
Board Administrator