

MOTION NO. M2018-93

Oracle Licensing and Software Maintenance

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	08/02/2018	Final Action	Mike Harbour, Deputy CEO Jason Weiss, Chief Information Officer Curtis Small, Director IT Applications

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Mythics, Inc. through December 2018 with a one-year option to extend to provide Oracle licensing and software maintenance in the amount of \$604,429, for a new total authorized contract amount not to exceed \$657,516 plus applicable taxes.

KEY FEATURES SUMMARY

- Sound Transit will enter into a “piggy-back” contract based on the National Intergovernmental Purchasing Alliance (National IPA) Master Contract with Mythics, Inc. to provide Oracle licensing and software maintenance for:
 - JD Edwards Enterprise One, for agency enterprise resource planning system.
 - Primavera Suite, for project management and planning.
- Sound Transit has purchased new Oracle licenses and ongoing software maintenance from Mythics, Inc. over the past two years. Due to the recurring needs of purchases from Mythics, Inc., the decision was made to enter into a multi-year contract based on the existing term of the National IPA contract, which expires December 2018, with a one-year option to extend to December 2019.
- Sound Transit may enter into services agreements which extend beyond the final term of the contract, as per standard software licensing terms.
- The original contract was executed within the CEO’s authority in the amount of \$53,087 plus applicable taxes for a term of three months. The amount requested is sufficient to cover the contract through December 2018 and the one-year option to extend through December 2019.
- Applicable taxes for the contract amendment are currently estimated to be \$61,047.

BACKGROUND

Sound Transit has used the National Intergovernmental Purchasing Alliance (National IPA) Master Contract with Mythics, Inc. for Oracle software needs over the past two years. Purchases include JD Edwards Enterprise One licenses and software maintenance for the agency’s enterprise resource planning system, Primavera P3, P6, ClaimDigger, and other titles for project planning needs and other related Oracle software as needed.

Given the recurring needs under this contract, a determination was made to move forward with entering into a multi-year contract through the current term of the National IPA Master Contract for Mythics, Inc., which expires in December 2018. The requested funding under this proposed action is sufficient to cover the contract through December 2018 and the one-year option to extend December 2019, which is the final term of the Master Contract.

PROCUREMENT INFORMATION

The subject software and implementation services will be procured via a “piggyback” on National IPA Contract No. R141801 dated October 15, 2014, competitively awarded by Region 4 Education Service Center using price, past performance, and technical factors as evaluation criteria against the 4 proposals submitted. Sound Transit is able to leverage discounts off of list price: software is discounted at 29 percent.

FISCAL INFORMATION

The proposed action will amend the current contract by \$604,429 for a new total authorized contract amount not to exceed \$657,516 plus applicable taxes and will be funded from the services and material and supplies categories within the Finance and Information Technology Department’s annual operating budget. The services category budget is \$13,821,747 of which a total \$128,459 is estimated to be spent for this contract in 2018. The material and supplies category budget is \$1,875,646 of which a total of \$52,551 is estimated to be spent for this contract in 2018. Both are within the agency’s budget authority. After approval of this action, the remaining annual budget amount will be used to fund other department expenditures in 2018.

Funding for the additional years of the contract will be included in future annual budget requests.

Finance and Information Technology
(in thousands)

Cost Category	2018 Annual Operating Budget ¹	YTD Actuals ²	This Action (Current Year Impact Only)	YTD Actuals Plus Action (Current Year Only)	Remaining Annual Operating Budget
Salaries and Benefits	\$27,467	\$11,730	\$	\$11,730	\$15,737
Services	13,822	5,659	128	5,788	8,034
Materials and Supplies	1,876	838	53	890	985
Utilities	1,068	462		462	606
Insurance	8,533	2,944		2,944	5,589
Miscellaneous	430	267		267	163
Interest Expense	18	2		2	16
Leases and Rentals	466	253		253	213
Total Annual Operating Budget	\$53,679	\$22,154	\$181	\$22,335	\$31,344

Contract Spending Plan	Spending to Date ³	Forecasted Spend for Remainder of 2018	Future Spending	Total
Mythics, Inc.	\$58	\$181	\$484	\$724

Contract Detail	Board Approved Contract Value	Proposed Action	Proposed Revised Board Approved Contract Value
Mythics, Inc.	\$53	\$604	\$658
Contingency			
Estimated Taxes	5	61	66
Contract Amount - Total	\$58	\$665	\$724
Percent Contingency	0%	0%	0%

Notes:

- ¹ 2018 Annual Operating Budget is located on page 25 of the Adopted 2018 Budget book.
- ² YTD Actuals as of June 30, 2018.
- ³ Spending to Date as of June 30, 2018.

SMALL BUSINESS/DBE PARTICIPATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Because this contract “piggybacks” onto the National Intergovernmental Purchasing Alliance (National IPA) Master Contract with Mythics, Inc., goals for participation were not established by Sound Transit.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would not impact support services from the vendor.

ENVIRONMENTAL REVIEW

KH 7/19/2018

LEGAL REVIEW

AJP 7/27/2018

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A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Mythics, Inc. through December 2018 with a one-year option to extend to provide Oracle licensing and software maintenance in the amount of \$604,429, for a new total authorized contract amount not to exceed \$657,516 plus applicable taxes.

BACKGROUND:

Sound Transit has used the National Intergovernmental Purchasing Alliance (National IPA) Master Contract with Mythics, Inc. for Oracle software needs over the past two years. Purchases include JD Edwards Enterprise One licenses and software maintenance for the agency's enterprise resource planning system, Primavera P3, P6, ClaimDigger, and other titles for project planning needs and other related Oracle software as needed.

Given the recurring needs under this contract, a determination was made to move forward with entering into a multi-year contract through the current term of the National IPA Master Contract for Mythics, Inc., which expires in December 2018. The requested funding under this proposed action is sufficient to cover the contract through December 2018 and the one-year option to extend December 2019, which is the final term of the Master Contract.

The original contract was executed within the CEO's authority in the amount of \$53,087 plus applicable taxes for a term of three months. The amount requested is sufficient to cover the contract through December 2018 and the one-year option to extend through December 2019.

MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Mythics, Inc. through December 2018 with a one-year option to extend to provide Oracle licensing and software maintenance in the amount of \$604,429, for a new total authorized contract amount not to exceed \$657,516 plus applicable taxes.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 2, 2018.



Paul Roberts
Operations and Administration Committee Chair

ATTEST:



Kathryn Flores
Board Administrator