



ADMINISTRATION COMMITTEE

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Agenda Report

File #: 2024-3592

Agenda Date: 5/8/2024

Agenda Item No: 4.

FROM: Robert Thompson, General Manager
Originator: Wally Ritchie, Director of Finance

SUBJECT:

IBM TIVOLI MAXIMO ANNUAL SUBSCRIPTION AND SUPPORT, SPECIFICATION NO. S-2024-1448BD

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Purchase Order to ZProCis Solutions Inc. to provide the conversion of IBM Tivoli Maximo from perpetual licenses to application point licenses, Specification No. S-2024-1448BD, for a total amount not to exceed \$276,498; and
- B. Approve a contingency in the amount of \$41,475 (15%).

BACKGROUND

Orange County Sanitation District (OC San) has been using IBM Tivoli Maximo as a computerized maintenance and management system for the last 10 years to maintain and manage all work performed on OC San assets at Plant Nos. 1 and 2, and the Collections System. OC San has been purchasing the annual subscription and support for the last 10 years and would like to continue purchasing the same for the upcoming fiscal year, 2024-2025. IBM is changing their licensing model from perpetual licenses to application point licenses. Application point licensing is based on user types. Users in Maximo are divided into two categories: administrator users and application users. Depending on the level of access needed, users are further classified as: premium, base, limited, and self-service. The change from perpetual licensing to application point licensing should not significantly impact the cost to OC San.

RELEVANT STANDARDS

- Protect OC San assets
- Ensure the public's money is wisely spent
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Maintain a proactive asset management program

PROBLEM

OC San's Asset Management program needs to use IBM Tivoli Maximo for maintaining and managing OC San's assets. To receive continued support and updates from IBM, the annual subscription and support needs to be purchased.

PROPOSED SOLUTION

Procure the conversion of IBM Tivoli Maximo from perpetual licenses to application point licenses through ZProCis Solutions Inc.

TIMING CONCERNS

The current perpetual licenses expire on June 30, 2024.

RAMIFICATIONS OF NOT TAKING ACTION

OC San will not be able to receive software support and required updates from IBM.

PRIOR COMMITTEE/BOARD ACTIONS

May 2022 - Approved a Contingency Increase of \$10,472 (6.03%) to the IBM Tivoli Maximo and Websphere (EnterpriseOne) Annual Subscription and support contract with Dataskill, Specification No. S-2019-1045BD, for the period July 1, 2022 through June 30, 2023, for a new total contingency amount not to exceed \$36,538 (21.03%); and approved an annual contingency of \$34,754 (20%) for one remaining renewal period.

May 2019 - Approved an Annual Purchase Order Contract with Dataskill, Inc. for the renewal of software licensing and maintenance for IBM Maximo and Websphere, for an amount not to exceed \$173,774, for the period beginning July 1, 2019 through June 30, 2020, with four (4) one-year renewal options; and approved a contingency of \$26,066 (15%).

ADDITIONAL INFORMATION

On February 1, 2024, OC San issued a Notice Inviting Bids for the conversion of IBM Tivoli Maximo from perpetual licenses to application point licenses via PlanetBids. Bids were due on March 1, 2024. OC San received two (2) bids, one of which is valid for 180 calendar days from the bid opening date, and the other was valid until March 29, 2024.

Company Name	Bid	Determination
ZProCis Solutions Inc.	\$ 276,498.00	Responsive
Miracle Software Systems, Inc.	\$ 278,693.22	Responsive

Based on these results, staff recommends approving a Purchase Order to ZProCis Solutions Inc. The term of this Purchase Order will begin on the date of the Notice to Proceed.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (FY2022-23 & 2023-24 Budget, IT Operating Budget, Section 6, Page 35) and the budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

N/A