



# Orange County Sanitation District

## ADMINISTRATION COMMITTEE

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### Agenda Report

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**File #:** 2020-1266

**Agenda Date:** 11/10/2020

**Agenda Item No:** 4.

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**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**IBM MAXIMO EMERGENCY AND LEVEL 3 SUPPORT**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Sole Source Professional Services Agreement to Total Resource Management, Inc to provide Emergency and Level 3 support for IBM Maximo software, for the time period of January 1, 2021 through December 31, 2021, for a total amount not to exceed \$160,000; and
- B. Authorize an option for four (4) one-year renewals at \$160,000 per year.

**BACKGROUND**

The Operations, Maintenance, Warehouse, and Fleet Divisions utilize IBM-Maximo as their core business software. The benefits of IBM-Maximo include improved asset and labor productivity, optimization of maintenance resources, scheduling of all maintenance activities, and efficiency in inventory management. The Orange County Sanitation District (Sanitation District) requires Emergency and Level 3 support (the uppermost level of support to solve the most difficult problems) from a third-party vendor to support this software. Total Resource Management, Inc. (TRM) has been providing this support efficiently for the last four years.

**RELEVANT STANDARDS**

- 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
- Protect Orange County Sanitation District assets
- Maintain a proactive asset management program

**PROBLEM**

Ongoing IBM-Maximo software support including troubleshooting, upgrades, implementing new functionality, testing, and documentation is necessary as the Sanitation District's Operations, Maintenance, Collections, Warehouse, and Fleet Divisions all utilize IBM-Maximo as their core business software.

## **PROPOSED SOLUTION**

Approve a Sole Source Professional Services Agreement to TRM to provide on-call support on an as needed basis.

## **TIMING CONCERNS**

The current agreement with TRM expires on December 31, 2020.

## **RAMIFICATIONS OF NOT TAKING ACTION**

The decision not to award a professional service contract to TRM will result in lower levels of service in supporting IBM-Maximo software and its functionality which would result in decreased efficiency, reliability, compliance, and safety in the Operations, Maintenance, Warehouse, and Fleet Divisions.

## **PRIOR COMMITTEE/BOARD ACTIONS**

November 2016 - Authorized a sole source purchase order agreement with Total Resource Management, Inc. for Maximo Emergency and Level 3 Support for one year commencing January 1, 2017 through December 31, 2017 for a total amount not to exceed \$160,000; and authorized an option for three annual renewals at \$160,000 per year for a total amount of \$480,000.

## **ADDITIONAL INFORMATION**

This Professional Services Contract is being sole sourced because TRM is the developer of Rules Manager (RM) which is a proprietary software used by the Sanitation District to enforce all business rules within IBM-Maximo. TRM is also the developer of the Lock Out Tag Out (LOTO) module implemented within Maximo. The LOTO module tracks the safety procedures that are followed during maintenance work. In addition, over the past eight years, TRM has provided best practices and Maximo expertise in assisting the Sanitation District in succeeding with our business principles. TRM has assisted with the Maximo system architecture, setup, and implementation. TRM also has been providing very good Emergency and Level 3 Support for the past four years. TRM has a distinctive advantage because the Sanitation District uses TRM's proprietary software and they are familiar with the Sanitation District's business processes, personnel, and Maximo infrastructure.

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted. (FY 2020-21 & 2021-22 Budget, Section 8, Page 83, EAM Software & Process Implementation (SP-100)).

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Professional Consultant Services Agreement