

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

**MEETING DATE:** 5/13/2020

**Staff Report No.** 14-306b

**TO:** AC Transit Board of Directors  
**FROM:** Michael A. Hursh, General Manager  
**SUBJECT:** Ellipse Hosting and Professional Services Contract Extension

### ACTION ITEM

#### **RECOMMENDED ACTION(S):**

Consider authorizing the General Manager to approve a one-year extension of District Contract 2015-1331 for Ellipse Hosting, Upgrade, and Professional Services.

#### **STRATEGIC IMPORTANCE:**

Goal - Financial Stability and Resiliency  
Initiative - Infrastructure Modernization

The District's Enterprise Asset Management (EAM) System, Ellipse, is a private cloud-based system hosted by AddOns Inc. The current contract for these services expires on June 30, 2020.

District staff desires to extend the contract for an additional year to permit staff time to complete the pending upgrade to Ellipse 9.x. Upon completion of the upgrade, the District will be able to begin migration to a new hosting solution.

An additional year will also permit District staff adequate time to conduct a competitive solicitation for a new multi-year hosting contract. The Ellipse platform connects with many mission-critical operational software systems in the District and provides vital data elements. This is a core technology platform used throughout the District and needs to be continually operational for 24/7 maintenance operations.

#### **BUDGETARY/FISCAL IMPACT:**

The proposed one-year extension plus the upgrade is estimated to cost the District approximately \$465,000.00 over a 12-month period.

The Ellipse hosting services of \$265,000.00 will be funded in the FY2020-2021 Innovation and Technology (IT) Department operating budget. The upgrade project will be funded from the capital budget using Federal Transit Administration (FTA) State of Good Repair grant funding and District matching funds. The existing project budget of \$200,000.00 is sufficient to upgrade Ellipse.

#### Upgrade Funding Source

FTA - State of Goods Repair Grant	\$160,000.00	(80.00%)
District Match	\$40,000.00	{20.00%}
Total Upgrade Funds required	\$200,000.00	(100.00%)

**BACKGROUND/RATIONALE:**

The additional one-year extension of the current AddOns contract will allow District staff time to upgrade the District's Asset Management System, Ellipse, to Version 9.x, as the current version of Ellipse will be out of support as of December 2020. The upgrade will be implemented with two contracts, one (with AddOns) governing software implementation and hosting services, and the other, at no additional cost (with ABB) licensing its proprietary VIP™ Platform Integration Tool.

On January 27, 2016, the Board approved a contract award to AddOns (Staff Report 14-306a). The contract included a fixed price arrangement for \$1,961,043 for the implementation services, and hosting services to follow implementation at a monthly cost of \$18,750. At the same time, the Board also approved the acquisition of ABB's VIP Platform Integration Tool on a sole source basis, as this software is proprietary to ABB and may only be licensed through ABB.

District staff will initiate a competitive solicitation for the hosting of the software and complete the possible migration to a new hosting solution.

**ADVANTAGES/DISADVANTAGES:**

Extending this contract would permit staff to implement the Board's previous direction regarding this project.

**ALTERNATIVES ANALYSIS:**

*Manage the application in-house.* The District does not have the technical capability or capacity to provide the upgrade or hosting services for the Ellipse asset management system. Given the vast differences between the current version of Ellipse 8 and Ellipse 9, adequate professional resources are needed to train staff in the new business processes and software. Although this is treated as an upgrade, the impact to the District will be as if new software were installed. The alternative to contracting for these services is to develop them in-house using employees. Hiring long-term employees to accommodate a short-term requirement is not cost-effective.

*Do nothing.* The District could opt to allow the existing Ellipse Hosting contract with AddOns to expire. This would lead to uncertainty over the availability of our Ellipse applications after June 2020 and the potential loss of our access to them.

*Extending the Hosting agreement* but not doing the upgrade would mean on 01 January 2021 Ellipse would not be available to the District staff.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

SR 14-306 a Request to Award Contract - Consulting Services for Installation and Implementation of Ellipse 8 Software

SR 14-306 State of Good Repair Asset Management, Project ID 1856

**ATTACHMENTS:**

None

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