



## Board Report

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### OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE JULY 18, 2019

**SUBJECT: ENTERPRISE ASSET MANAGEMENT SYSTEM**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

CONSIDER:

- A. ESTABLISHING a Life of Project (LOP) Budget for the Enterprise Asset Management (EAM) Project, capital project number 207155, in the amount of \$45,800,000;
- B. AUTHORIZING the Chief Executive Officer to award a 37-month, firm fixed price Contract No. PS51755000 to 21Tech LLC, in the amount of \$10,205,207 for the Enterprise Asset Management System Software Acquisition and Software Support Services, subject to the resolution of any properly submitted protest(s), if any; and
- C. APPROVING Contract Modification Authority specific to Contract No. PS51755000 in the amount of \$2,041,041 or 20% of the total contract value, to cover the costs of any unforeseen services or license fees that may be necessary to complete this phase of the project.

**ISSUE**

The Maintenance and Materials Management System (M3) is a mission critical system with over 3,200 daily users. M3 is used extensively across Metro for Work Management, Maintenance and Repair of Assets, Material Management, Incident Tracking, and Timekeeping for operational employees. The 15 years old system is no longer supported by the software vendor. In addition, it does not comply with some of the critical functionality now required for meeting the Federal "Moving Ahead for Progress in the 21st Century Act" (MAP 21 State of Good Repair) requirements.

This Contract is for the acquisition of the core Enterprise Asset Management System (EAMS) software as well as the installation and demonstration of its initial/provisional acceptance by Metro. The Contractor is also responsible for the integration of third-party software proposed as part of their solution.

The LOP Budget includes the purchase of software and related support services (Phase 1), a Contract for a Systems Implementation, Integration and Business Process Services Provider (Phase

2) and the hardware and internal resources required to complete the three-year project.

Approval of the LOP Budget, award of the Contract for Phase 1, and Contract Modification Authority will allow Metro to replace the current legacy-based M3 system and provide a scalable technology to support Metro's expanding transit services with the tools needs to comply with MAP 21 State of Good Repair.

## **BACKGROUND**

In November of 2017, the Metro Board of Directors was notified of Metro's assessment of the M3 system and intent to proceed with the procurement of a replacement EAM system. As the software is no longer supported or maintained by the vendor, the current EAM (M3) system is an aging technology application impacting employee productivity, operations, maintenance expenses, and the ability to create data-driven maintenance strategies.

Metro intends to replace the current M3 system with a modern Commercial Off-the-Shelf (COTS) EAMS solution that includes:

- Implementing a new, modern transportation asset management software solution with comprehensive functionality including linear asset management, GIS, and mobility features.
- Implementing updated business processes across all functional areas that, when coupled with the EAMS software, will result in more efficient operations (i.e., improved productivity) and more effective asset management while enhancing data quality using industry-accepted asset classification schemes and hierarchy structures; refinement of location hierarchy and location codes; including asset condition scoring readily accessible by management for improved decision making and regulatory reporting.

## **DISCUSSION**

Staff is requesting approval for a LOP of \$45,800,000 be established to replace the current M3 System and implement business process improvement relating to the new system. The LOP will include the contract for software and services (Contract No. PS51755000), internal labor, hardware needed to support the system and contracting with a Business Systems Implementation and Integration Service provider to determine and implement a comprehensive EAMS solution using the selected EAMS software and to develop and prepare improved standard operational processes based on industry best practices.

The Phase 1 Contractor's primary focus is to deliver and install the proposed core EAMS software and provide support for the software during the contracted term which will cover some or all of the overall EAM Program timeline. Per Metro's requirements, the Contractor will provide (a) software acquisition/licensing, (b) software technical support, (c) development, testing and documentation for interfaces between core EAMS software and the proposed third party software (TPS), (d) technical training aids/documentation to be included in the conduct of training sessions, and (e) development, testing and documentation for selected custom functionality (by Metro Task Order, if applicable).

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## **DETERMINATION OF SAFETY IMPACT**

The approval of this capital project and contract award will have a direct and positive impact to safety, service quality, system reliability, performance, and overall customer satisfaction.

## **FINANCIAL IMPACT**

Adoption of Recommendation will establish an LOP budget of \$45.8 million for this project in Cost Center 9210 - Information Management, Capital Project 207155 - Enterprise Asset Management System Replacement (EAMS Project).

The \$4,200,000 for EAM Software Acquisition and Software Support Services is included in the FY20 budget under several accounts in Cost Center 9210 in Project 207155 - Enterprise Asset Management System Replacement (EAMS Project).

Since this is a multi-year contract, the project manager and cost center manager will be accountable for budgeting the cost in future fiscal years.

### **Impact to Budget**

The initial source of funds for Capital Project 207155 Enterprise Asset Management System is TDA-4 for which is a State Funding Source.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Recommendation supports strategic plan goal #1) to provide high-quality mobility options that enable people to spend less time traveling and #5) to provide responsive, accountable and trustworthy governance within the Metro organization.

## **ALTERNATIVES CONSIDERED**

The alternative is not to approve the LOP or award the Contract for the EAMS System risking our ability to meet Federal MAP 21 State of Good Repair requirements and resulting in the continued use of the M3 software which is not supported and does not optimize maintenance and operational activities.

## **NEXT STEPS**

Upon approval by the Board, Staff will execute Contract No. PS51755000 with 21Tech LLC for the EAMS Software Acquisition and Software Support Services and will release a Request for Proposals (RFP) for Phase 2 of the EAM Project for the System Implementation, Integration and Business Process Services.

## **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - DEOD Summary  
Attachment C - Capital Project 207155

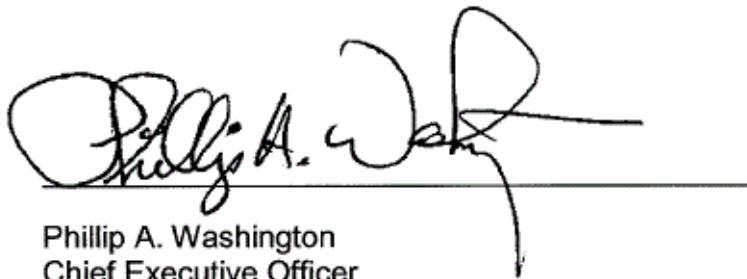
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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

**ENTERPRISE ASSET MANAGEMENT SYSTEM  
SOFTWARE ACQUISITION AND SOFTWARE SUPPORT  
SERVICES/PS51755000**

1.	<b>Contract Number:</b> PS51755000	
2.	<b>Recommended Vendor:</b> 21Tech LLC	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	A. <b>Issued:</b> August 23, 2018	
	B. <b>Advertised/Publicized:</b> August 23, 2018	
	C. <b>Pre-Proposal Conference:</b> September 5, 2018	
	D. <b>Proposals Due:</b> November 1, 2018	
	E. <b>Pre-Qualification Completed:</b> March 29, 2019	
	F. <b>Conflict of Interest Form Submitted to Ethics:</b> November 7, 2018	
	G. <b>Protest Period End Date:</b> July 22, 2019	
5.	<b>Solicitations Picked up/Downloaded:</b> 127	<b>Bids/Proposals Received:</b> 7
6.	<b>Contract Administrator:</b> Ana Rodriguez and Manchi Yi	<b>Telephone Number:</b> (213) 922-1076
7.	<b>Project Manager:</b> Amy Romero	<b>Telephone Number:</b> (213) 922-5709

**A. Procurement Background**

This Board Action is to approve Contract No. PS51755000 to 21Tech LLC to provide a Commercial Off-the-Shelf (COTS) Enterprise Asset Management System (EAMS) software solution. Board approval of contract award is subject to the resolution of any properly submitted protest.

Request for Proposals (RFP) No. PS51755 was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

Six amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1 was issued on August 30, 2018 to provide proposers an option to participate in the pre-proposal conference via conference call;
- Amendment No. 2 was issued on September 6, 2018 to extend the proposal due date to October 25, 2018;
- Amendment No. 3 was issued on September 21, 2018 to provide answers to formally submitted questions;
- Amendment No. 4 was issued on October 3, 2018 to provide Attachment D (report samples) in a zip file.
- Amendment No. 5 was issued on October 9, 2018 to provide Attachment C (report samples) in a different file format.
- Amendment No. 6 was issued on October 19, 2018 to extend the proposal due date to November 1, 2018.

A pre-proposal conference was held on September 5, 2018 and was attended by 41 participants representing 27 firms. There were 210 questions submitted and responses were released prior to the proposal due date.

A total of 127 firms downloaded the RFP and were included on the plan holders list. A total of seven proposals were received by the due date of November 1, 2018.

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro's Operations Department, Information and Technology Services Department, Vendor/Contract Management Department, Asset Management Department and Accounting Department was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on a three-step evaluation criteria as outlined in the RFP. In order to be considered technically qualified to perform the services, the Proposers had to meet the Minimum Requirements on a pass/fail basis. The pass/fail requirements were that the Proposer had to demonstrate that they had implemented an Enterprise Asset Management (EAM) solution at one of the 25 largest public transit authorities with bus and rail operations or an international public transit agency of similar size. In Step 2 and Step 3, the proposals were evaluated based on the criteria outlined in the RFP and were worth a total of 150 points combined. The amount of points for each criteria are listed below and have been converted to percentages.

Step 1: Minimum Requirements	Pass/Fail
Step 2: Evaluation Criteria (100 points)	66.67 percent
•Ability to Meet Software Requirements (45 points)	30.00 percent
•Project Management Plan and Timeline (15 points)	10.00 percent
•Proposer Qualification and Reference Checks (15 points)	10.00 percent
•Technical Proposal Cost and Total Cost of Ownership (25 points)	16.67 percent
Step 3: Demonstrations (50 points)	33.33 percent
Total (150 points)	100 percent

Several factors were considered when developing the evaluation criteria for this solicitation, giving the greatest importance to Step 2 which awarded the most points based on the Proposer's demonstrated ability to meet Metro's technical requirements for the system.

The PET began its independent evaluation of the proposals on November 6, 2019. Of the seven proposals received, three proposals were determined not to meet the minimum pass/fail requirements and were eliminated from further consideration. The remaining four firms' proposals were then evaluated based on the Step 2 evaluation criteria. All four remaining firms were determined to be within the competitive range and were invited to participate in the Step 3, Demonstrations, evaluation phase. The firms that were in the competitive range are listed below in alphabetical order:

- 21 Tech LLC
- Interloc Solutions, Inc.
- International Business Machines Corp.
- Trapeze Software Group Inc.

Demonstration scripts were provided to each firm approximately three weeks prior to their scheduled demonstration date. Firms were required to demonstrate how their proposed core EAMS software's functionality met Metro's requirements. The demonstrations began on January 14, 2019 and concluded on February 7, 2019.

The PET finalized their scores in February of 2019. The final scoring determined 21Tech LLC to be the highest ranked firm and Metro engaged in further technical discussions and negotiations from March 2019 through June 2019.

### **Qualifications Summary of Firms within the Competitive Range:**

#### **21 Tech LLC (21Tech)**

21Tech is a California based firm that specializes in public sector EAM software deployments and integrations. The core software solution proposed is Infor EAM. 21Tech's experience with the Infor EAM product includes work for clients such as the San Francisco Municipal Transportation Agency, the San Francisco Department of Public Works, the Kansas City Transit Authority, the San Antonio VIA, the Toronto Metrolinx, and the Quebec RTC. For this project, 21Tech assembled a team of subcontractors that included Infor Public Sector, Inc., Bentley Systems, Inc., Accenture LLP, Knowledge Architects LLC, and Cognetic Technologies.

#### **Trapeze Software Group, Inc. (Trapeze)**

Trapeze is headquartered in Canada and is dedicated to public transit software solutions. With over 1,600 implementations across 15 countries worldwide, their clients include the Chicago Transit Authority, the Regional Transit District of Denver, and the Metropolitan Atlanta Rapid Transit Authority.

#### **International Business Machines Corporation (IBM)**

IBM is a globally integrated company based in New York that has been in business for over 100 years. Their proposed software solution, Maximo, is currently in production in agencies such as Amtrak, the Washington Metropolitan Area Transit Authority, and the San Francisco Bay Area Rapid Transit.

#### **Interloc Solutions, Inc. (Interloc)**

Interloc Solutions is based in Folsom, California and has been in business for approximately 14 years. As an IBM Gold Partner, Interloc focuses their work on the IBM Maximo product. Interloc has provided services to agencies such as Amtrak, BART, and most-recently, the Dallas Area Rapid Transit.





The following table summarizes the PET's ranking and scores.

<b>1</b>	<b>Firm</b>	<b>Average Score</b>	<b>Factor Weight</b>	<b>Weighted Average Score</b>	<b>Rank</b>
<b>2</b>	<b>21 Tech LLC -Hybrid *</b>				
<b>3</b>	Ability to Meet Software Requirements	92.78	30.00%	27.83	
<b>4</b>	Project Management Plan and Timeline	91.00	10.00%	9.10	
<b>5</b>	Proposer Qualification and Reference Checks	84.33	10.00%	8.43	
<b>6</b>	Technical Proposal Cost and Total Cost of Ownership	73.08	16.67%	12.18	
<b>7</b>	Demonstration Score	70.66	33.33%	23.55	
<b>8</b>	<b>Total</b>		<b>100.00%</b>	<b>81.09</b>	<b>1</b>
<b>9</b>	<b>21 Tech LLC -Cloud *</b>				
<b>10</b>	Ability to Meet Software Requirements	92.78	30.00%	27.83	
<b>11</b>	Project Management Plan and Timeline	91.00	10.00%	9.10	
<b>12</b>	Proposer Qualification and Reference Checks	84.33	10.00%	8.43	
<b>13</b>	Technical Proposal Cost and Total Cost of Ownership	55.61	16.67%	9.27	
<b>14</b>	Demonstration Score	71.08	33.33%	23.69	
<b>15</b>	<b>Total</b>		<b>100.00%</b>	<b>78.32</b>	<b>2</b>
<b>16</b>	<b>Trapeze Software Group - Cloud</b>				
<b>17</b>	Ability to Meet Software Requirements	87.60	30.00%	26.28	
<b>18</b>	Project Management Plan and Timeline	82.00	10.00%	8.20	
<b>19</b>	Proposer Qualification and Reference Checks	85.33	10.00%	8.53	
<b>20</b>	Technical Proposal Cost and Total Cost of Ownership	41.46	16.67%	6.91	
<b>21</b>	Demonstration Score	48.54	33.33%	16.18	
<b>22</b>	<b>Total</b>		<b>100.00%</b>	<b>66.10</b>	<b>3</b>
<b>23</b>	<b>IBM -Cloud *</b>				
<b>24</b>	Ability to Meet Software Requirements	86.59	30.00%	25.98	
<b>25</b>	Project Management Plan and Timeline	40.53	10.00%	4.05	
<b>26</b>	Proposer Qualification and Reference Checks	44.00	10.00%	4.40	
<b>27</b>	Technical Proposal Cost and Total Cost of Ownership	83.91	16.67%	13.99	
<b>28</b>	Demonstration Score	41.16	33.33%	13.72	
<b>29</b>	<b>Total</b>		<b>100.00%</b>	<b>62.14</b>	<b>4</b>
<b>30</b>	<b>IBM -On Prem *</b>				
<b>31</b>	Ability to Meet Software Requirements	86.59	30.00%	25.98	
<b>32</b>	Project Management Plan and Timeline	40.53	10.00%	4.05	
<b>33</b>	Proposer Qualification and Reference Checks	44.00	10.00%	4.40	
<b>34</b>	Technical Proposal Cost and Total Cost of Ownership	60.13	16.67%	10.02	
<b>35</b>	Demonstration Score	41.16	33.33%	13.72	
<b>36</b>	<b>Total</b>		<b>100.00%</b>	<b>58.17</b>	<b>5</b>

<b>37</b>	<b>Interloc Solution, Inc. –Cloud</b>				
<b>38</b>	Ability to Meet Software Requirements	79.14	30.00%	23.74	
<b>39</b>	Project Management Plan and Timeline	46.00	10.00%	4.60	
<b>40</b>	Proposer Qualification and Reference Checks	46.27	10.00%	4.63	
<b>41</b>	Technical Proposal Cost and Total Cost of Ownership	43.03	16.67%	7.17	
<b>42</b>	Demonstration Score	50.10	33.33%	16.70	
<b>43</b>	<b>Total</b>		<b>100.00%</b>	<b>56.84</b>	<b>6</b>

\*Firm provided separate proposals for different deployment solutions

### **C. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate, adequate price competition, cost analysis, technical evaluation, fact finding, clarifications and negotiations.

The negotiated amount of the Contract is reflective of Metro's discussions with the Proposer. The original Statement of Work requested that the proposers provide license pricing for a limited number of users and provide options and recommendations on when would be the best time to implement enterprise-wide licensing, if that was an option. During discussions, Metro determined that it would be in its best interest to secure enterprise-wide licensing for the core EAM software. The negotiated amount reflects the additional amount for the enterprise-wide licenses.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
1.	21 Tech LLC –Hybrid *	\$8,983,563	\$10,498,000	\$10,205,207
2.	21 Tech LLC –Cloud *	\$9,051,423		
3.	Trapeze Software Group –Cloud	\$13,530,151		
4.	IBM –Cloud *	\$5,627,000		
5.	IBM –On-Prem *	\$11,041,000		
6.	Interloc Solutions, Inc. –Cloud	\$12,394,000		

\*Firm provided separate proposals for different deployment solutions

### **D. Background on Recommended Contractor**

The recommended firm, 21Tech LLC is located in Los Altos, California and has been in business for 22 years. 21Tech is a premier Infor EAM Transit certified partner and has completed large-scale Infor EAM implementations and upgrades across the country. 21Tech's proposed solution of the core Infor EAM system, supplemented by Bentley's AssetWise suite of products, demonstrated the functionality that Metro requires across the Agency.

## DEOD SUMMARY

**ENTERPRISE ASSET MANAGEMENT SYSTEM  
SOFTWARE ACQUISITION AND SOFTWARE SUPPORT SERVICES/PS51755000**

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 10% Small Business Enterprise (SBE)/Disabled Veterans Business Enterprise (DVBE) goal for this solicitation. 21 Tech, LLC exceeded the goals with a 24.59% SBE commitment and a 3.11% DVBE commitment.

<b>Small Business Goal</b>	<b>7% SBE 3% DVBE</b>	<b>Small Business Commitment</b>	<b>24.59% SBE 3.11% DVBE</b>
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	<b>SBE Subcontractors</b>	<b>% Committed</b>
1.	Knowledge Architect, LLC	24.59%
	<b>Total SBE Commitment</b>	<b>24.59%</b>

	<b>DVBE Subcontractors</b>	<b>% Committed</b>
1.	Cognetic Technologies	3.11%
	<b>Total DVBE Commitment</b>	<b>3.11%</b>

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.

**ATTACHMENT C- CAPITAL PROJECT 207155- LOP REQUEST**

<b>Use of Funds</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>Total</b>
COMPUTER SUPPLIES		\$600,000	\$600,000	\$100,000		\$1,300,000
SOFTWARE		\$1,000,000	\$1,100,000	\$1,100,000		\$3,200,000
SERV PROF AND TECH SERVICE	\$1,400,000	\$4,735,750	\$17,595,532	\$10,495,284	\$1,894,813	\$36,121,379
LABOR COSTS	\$600,000	\$964,250	\$1,177,468	\$1,203,716	\$1,233,187	\$5,178,621
<b>Total</b>	<b>\$2,000,000</b>	<b>\$7,300,000</b>	<b>\$20,473,000</b>	<b>\$12,899,000</b>	<b>\$3,128,000</b>	<b>\$45,800,000</b>