Date: September 16, 2015

To: Board of Directors

From: Neil McFarlane

Subject: RESOLUTION 15-09-52 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH AST CORPORATION AND JIBE CONSULTING, INC. FOR ORACLE E-BUSINESS SUITE CONSULTING SERVICES

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors ("Board") adopt a resolution authorizing the General Manager to execute two contracts for Oracle E-Business Suite consulting services. The two contracts would be with AST Corporation ("AST") and Jibe Consulting, Inc. ("Jibe").

2. Type of Agenda Item
   □ Initial Contract
   □ Contract Modification
   □ Other ______________

3. Reason for Board Action

Board approval is required for personal services contracts obligating TriMet to pay in excess of $150,000.

4. Type of Action:
   □ Resolution
   □ Ordinance 1st Reading
   □ Ordinance 2nd Reading
   □ Other ______________

5. Background

TriMet’s Information Technology Department ("IT") is seeking Board approval for two on-call software development and database management system support contracts, to provide specialized application development expertise in Oracle E-Business Suite and administration of the Oracle database. Oracle E-Business Suite is the software that TriMet’s Human Resources and Finance Departments use to manage their business functions, i.e., payroll, inventory, fixed assets, purchasing, benefits, general ledger, accounts payable, cash management, manager and employee self service, employee performance and compensation.
TriMet's current staffing levels are sufficient to maintain existing Oracle applications. However, contracted support is required for major upgrades and/or implementation of new modules. In addition, the need for contracted support services often quickly arises as new projects are authorized by TriMet Executive decisions, frequently in response to various audits, and needs of the Finance Department. On-call services allow TriMet staff to rapidly respond to new requirements and maintain flexibility in providing services to the agency. For example, IT previously has successfully used contracted support to aid in the implementation of a retirement module, and upgrade of Oracle applications to version 12. Currently, on-call services are needed for the eFare project database set up and implementation of a new budget module. The new budget module will update the current spreadsheet budget process and integrate the budget with other financial systems.

The proposed contracts with AST and Jibe would provide multi-year on-call support and additional staffing resources to respond to the agency’s immediate and future demand for Oracle resources.

6. **Procurement Process**

TriMet issued a formal Request for Proposals ("RFP") for these services, in response to which four proposals were received. The responding firms were:

1. AST
2. Cherry Road Technologies ("Cherry Road")
3. Jibe
4. Polaris

Each proposal was evaluated by a Source Evaluation Committee ("SEC") on the experience of the firm, key staff on the firm’s recommended work plan and documented understanding of TriMet’s Oracle E-Business Suite support needs, and price. All firms were determined to be responsive and technically qualified. The RFP also provided for possible multiple awards in any combination of the specified skill sets stated in the RFP.

Oracle E-Business Suite is a highly specialized environment and as such the SEC evaluated proposals in great depth. Each proposer’s skill sets and functional experience were evaluated in the following categories:

- Financials
- Middleware (in Oracle, Middleware is the software layer that provides the connection between the Oracle applications and the operating system)
- Database
- Human Resources

The SEC evaluation determined that:

1. AST had excellent and deep staffing proposed for database administration, application development and functional analyst positions, and over 20 years experience including previous work with TriMet
2. Cherry Road lacked critical expertise in three of the categories (Human Resources, Database and Middleware)
3. Jibe was experienced and highly regarded in the industry with their core business focused on the Oracle E-Business Suite financial modules
4. Polaris also lacked critical expertise in three of the categories (Human Resources, Database and Middleware)
The SEC evaluated the firms’ proposed pricing and found a direct correlation between depth of proposer experience and pricing. Based on the evaluation criteria set forth in the RFP, the SEC selected AST for contract award in all four categories of work, and Jibe for contract award in the single category of Financials. The RFP scoring results are provided below in Table-1:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Possible points</th>
<th>AST</th>
<th>Cherry Road</th>
<th>JIBE</th>
<th>Polaris</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualifications of proposer and staff</td>
<td>45</td>
<td>31</td>
<td>20</td>
<td>28</td>
<td>14</td>
</tr>
<tr>
<td>Work plan and understanding of TriMet’s Oracle E-Business Suite needs</td>
<td>15</td>
<td>10</td>
<td>7</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Price</td>
<td>40</td>
<td>29</td>
<td>32</td>
<td>27</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>70</td>
<td>59</td>
<td>65</td>
<td>57</td>
</tr>
</tbody>
</table>

Oracle independently rates their partners based on their expertise with Oracle applications, with Platinum being the highest ranking. Oracle has rated Polaris as a Gold, whereas AST and Cherry Road received Platinum partner ratings.

7. Diversity

Oracle E-Business Suite is a highly specialized environment. Because of this, the requirements for this solicitation were broken into categories to maximize opportunities for Disadvantaged Business Enterprises (“DBE”) and Women Business Enterprieses (“WBE”) participation either as a prime contractor or subcontractor. None of the four proposers are registered DBE/WBE firms. However, AST has over 50% (119 of 214) staff positions represented by minority employees. Jibe is a registered small business with the state of Oregon, with 22% of their employees minorities.

8. Financial/Budget Impact

Both contracts will have a one-year base term, with four one-year renewal options. The AST contract is an estimated $273,000 for the base term year, based on hourly fixed rates. The total estimated AST contract amount, assuming all renewal options are exercised, is $1,365,000.00. The Jibe contract is an estimated $89,000 for the base term year, based on hourly fixed rates. The total estimated Jibe contract amount, assuming all renewal options are exercised, is $445,000.00. No rate increases are allowed during the base term of the contracts; any rate increases during the renewal terms will be subject to TriMet approval, and will be tied to the Consumer Price Index (CPI) All-Urban Workers, for the Portland-Salem area. The final total contract amounts will be based on the agency’s actual usage, which will vary annually, based on projects and levels of work required.
9. **Impact if Not Approved**

If this Resolution is not approved, TriMet would need to issue a new RFP for these services or rely on existing staff to maintain the Oracle system. However, under current staffing levels IT would not be unable to provide support for upgrades, improvements or implementation of new modules. Given the receipt of four responses to the RFP and the SEC determination that AST and Jibe are qualified and that their fees have been determined to be reasonable, issuance of a new RFP is not recommended. If TriMet were not able to utilize contracted services, it would seriously impact the quality and speed of Oracle support that IT provides to the agency.
RESOLUTION 15-09-52

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH AST CORPORATION AND JIBE CONSULTING, INC. FOR ORACLE E-BUSINESS SUITE CONSULTING SERVICES

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with AST Corporation and a contract with Jibe Consulting, Inc. for Oracle E-Business Suite consulting services ("Contracts"); and

WHEREAS, the total amount of the Contracts will exceed $150,000; and

WHEREAS, the TriMet Board of Directors ("Board"), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve personal services contracts obligating TriMet to pay in excess of $150,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contracts shall be in conformance with applicable laws.

2. That the General Manager is authorized to execute the Contracts.

Dated: September 16, 2015

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:

[Signature]

Legal Department