

**SUBJECT**

*Ellipse Software Annual Licensing and Support Renewal*

**RECOMMENDATION**

*Recommendation for the Board of Directors to authorize the President and CEO to enter into a contract with Ventyx ABB in the amount of \$142,215.31 to renew the licensing fee of Long Beach Transit's enterprise business software, Ellipse.*

**BACKGROUND**

In July 2001, Long Beach Transit purchased Ellipse brand enterprise business software to support the daily operations of the company's accounting, grants, fixed assets, human resources, payroll, purchasing, inventory, and maintenance functions.

The system is responsible for a variety of functions including:

- Capturing all actual and budget revenue and expenses
- Storing all employee history, payroll and benefits information
- Capturing all fixed assets procured and disbursed company-wide
- Capturing all procurement processes from requisition initiation to vendor payment
- Monitoring inventory levels from receipt to issuance
- Tracking all vehicle maintenance by work performed and parts used

The current annual software licensing fee and support agreement with Ventyx ensures LBT's continued usage of the software and provides technical support for this critical business software.

**PROCUREMENT**

This is a sole-source procurement. Ellipse is proprietary software offered only by Ventyx ABB, therefore, it is the only company qualified to offer support service. LBT staff has reviewed pricing and determined it to be fair, reasonable and consistent with previous annual support agreements with this firm. The contract amount includes an annual licensing fee and support amount of \$120,215.31, as well as an additional maintenance fee of \$22,000.00 for a supplemental payroll function. Staff is recommending a contract for annual support services with Ventyx for a total not to exceed \$142,215.31.



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**ALTERNATIVES CONSIDERED**

As the Ellipse software supports several departments and LBT's daily operations, there are no current viable alternatives. There is no other company qualified to provide the necessary support services. If LBT was to continue using the software without renewing the contract and paying the software licensing fees, it would be an infringement of copyright law.

**BUDGETARY/FISCAL IMPACT**

Staff is requesting authorization to renew the contract with Ventyx for 12 months, through June 2015, for annual support services with Ventyx for a total not to exceed \$142,215.31.

Funds for this annual support agreement were included in the FY 2015 budget previously approved by the Board.

A handwritten signature in blue ink, reading "K. McDonald".

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Kenneth A. McDonald  
President and Chief Executive Officer