

SUBJECT

Ellipse Software Annual Licensing and Support Renewal

RECOMMENDATION

To authorize the President and CEO to enter into a contract with ABB, Inc., to renew the licensing fee of Ellipse, Long Beach Transit's (LBT) enterprise business software, for a total authorization amount not to exceed \$102,798.45.

BACKGROUND

In July 2001, LBT purchased Ellipse-brand enterprise business software from ABB, Inc., (previously Mincom, Inc.) to support the daily operations of its accounting, grants, fixed assets, human resources and payroll, purchasing, inventory and maintenance functions.

LBT uses Ellipse software for a variety of critical functions including:

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

The annual software licensing fee and support agreement in place with ABB, Inc., ensures the usage of Ellipse software and technical support for this business software.

PROCUREMENT

ABB, Inc., is the sole provider of support services for Ellipse. Due to the proprietary status, this is a sole-source procurement.

The contract amount includes an annual licensing fee and support services in the amount of \$102,798.45, a cost determined to be fair and reasonable by LBT's Purchasing department. The cost is consistent with previous annual support agreements with ABB, Inc.

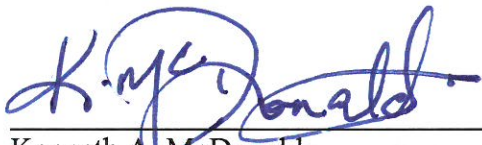
ALTERNATIVES CONSIDERED

The Board may choose not to approve the recommendation. However, staff does not recommend this option, as Ellipse is critical in the continuation of LBT's operations and LBT would be infringing on software copyright laws by using the software without contract renewal.

BUDGETARY/FISCAL IMPACT

Staff is requesting authorization for the President and CEO to enter into a contract with ABB, Inc., to renew the licensing fee of Ellipse, Long Beach Transit's enterprise business software, for a total authorization amount not to exceed \$102,798.45.

Funds for this contract were included in the Fiscal Year 2017 operating budget.



Kenneth A. McDonald
President and Chief Executive Officer