



Agenda Item No. (4)

To: Building and Operating Committee/Committee of the Whole Meeting of January 23, 2025

From: Karin Williams, Senior Information Systems Manager
Fang Lu, Chief Technology Director
Kellee J. Hopper, Deputy General Manager, Administration and Development
Denis J. Mulligan, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO AWARD OF CONTRACT NO. 2025-D-001, MAXIMO LICENSING, TO ZPRO SOLUTIONS**

Recommendation

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2025-D-001, *Maximo Licensing*, as follows:

1. Approve award of Contract No. 2025-D-001 to ZPro Solutions, Naples, FL, for licensing, maintenance, and support for the District’s Maximo Asset Management software application for a three-year base term, for a total not-to-exceed amount of \$859,278.95; and,
2. Authorize the General Manager, or his designee, to approve amendments to the Contract to allow for future years’ annual recurring maintenance and support for the Maximo system after the three-year base term, provided that funding has been allocated in the annual budget and such renewals are in the Golden Gate Bridge, Highway and Transportation District’s best interest.

This matter will be presented to the Board of Directors at its January 24, 2025, meeting for appropriate action.

Summary

The Golden Gate Bridge, Highway and Transportation District (District) utilizes Maximo as its Enterprise Asset Management (EAM) system for asset and maintenance management. Maximo is primarily used by the Bus and Ferry Divisions for asset maintenance, National Transit Database reporting, and State of Good Repair compliance. Additionally, Maximo serves as the District’s Procurement system. Over the next two years, the District plans to extend Maximo to manage assets and maintenance for the Bridge Division.

IBM is the owner and developer of Maximo and is the current provider of the District’s licensing contract, which expires at the end of January 2025. The IBM contract includes critical maintenance and vendor support, covering software bug fixes and regular functionality updates. IBM has announced a shift from its current user-based licensing model to an AppPoint licensing model. The new licensing structure will also accommodate additional users from the Bridge Division as part of its upcoming implementation.

IBM products, such as Maximo, are available via the State of California’s negotiated Software Licensing Program (SLP). The District solicited quotes from the six authorized IBM SLP business partners, as well as other non-SLP IBM re-sellers, including IBM direct pricing. Of the six SLP partners, only one partner provided a quote. The District received additional quotes from ZPro Solutions and Converge Technology Solutions. Two vendors stated they declined to bid as they did not believe they could provide competitive pricing, and IBM declined to provide manufacturer-direct pricing, stating that the District’s licensing would be a partner-led deal.

VENDOR	BID
ZPro Solutions Inc., Naples, FL	\$859,278.95
Converge Technology Solutions, Peachtree Corners, GA	\$1,146,705.00
Allied Network Solutions, Rocklin, CA	\$1,208,808.00

The District’s Procurement Manual authorizes the District to “waive the requirements for formal competitive bidding or other procedures set forth in this Manual when (1) permissible under applicable law; (2) the best interests of the District would be served by waiving such requirements under the circumstances; and (3) a determination is made that following competitive procedures would be unavailing, not in furtherance of the purposes of the competitive bidding statutes and the District's procurement policy.” Based on the limited response from SLP vendors, changes to IBM’s licensing model, and the additional outreach performed by the District, staff believe that a formal solicitation would be unavailing and that moving forward with the lowest cost proposal from ZPro Solutions Inc., is in the best interest of the District.

The District’s Disadvantaged Business Enterprise (DBE) Program Office has reviewed the proposal submitted by ZPro Solutions, Inc. and confirmed that the firm is certified as a DBE. At this time, 100% DBE participation is anticipated during the performance of this contract.

Fiscal Impact

The requisite funds for the first half of year one of Maximo maintenance and support services are included in the FY24/25 District Division Operating Budget. Maintenance and support for subsequent years will be budgeted accordingly in future years’ Operating Budgets.