

OHIO TURNPIKE COMMISSION

Resolution Directing the Executive Director to Take Immediate Action Concerning Extension of Ross Systems, Inc. and Now Solutions, Inc. Maintenance Agreements

WHEREAS, pursuant to Resolution No. 68-1996 adopted on November 12, 1996, the Commission authorized an Agreement with Ross Systems, Inc. of Atlanta, Georgia ("Ross Systems") to furnish and install software for an Integrated Business Application System, incorporating six (6) different modules to assist in the performance of the Commission's equipment maintenance, financial reporting, inventory, purchasing, human resources and payroll functions; and

WHEREAS, the Agreement also included a twenty (20) year software license (through 2016) and all necessary software maintenance and support services; and

WHEREAS, in 2001, a portion of Ross Systems' business pertaining to the software modules related to human resources ("HR") and payroll were purchased by a company known as Now Solutions, Inc. of Toronto, Canada ("Now Solutions"); and

WHEREAS, since that time, Ross Systems has maintained and supported the software modules used for the performance of equipment maintenance, financial reporting, inventory and purchasing functions; and Now Solutions has maintained and supported the software modules used for the performance of HR and payroll functions; and

WHEREAS, in 2004, the Commission authorized Resolution 26-2004 under which the Commission had negotiated an upgrade to the Ross Systems software in exchange for a three-year commitment to renew maintenance and support services with Ross Systems, with the cost of said maintenance and support services held to \$83,000.00 per annum through 2007; and

WHEREAS, upon expiration of the current Maintenance Agreement with Ross Systems, the annual fees for maintenance and support services can increase by a maximum escalator of 7%; and

WHEREAS, although Ross Systems did offer to forego its annual 7% escalator in exchange for another non-cancelable three-year Maintenance Agreement at \$88,810.00 per year, the CFO/Comptroller and the Director of Information Systems both concur that the Commission should proceed with annual renewals of the Ross Systems software Maintenance Agreement because responsiveness to the Commission's maintenance needs by this firm may be improved if it is put through an annual review and renewal process; and

WHEREAS, costs for Ross Systems software maintenance and support services will, therefore, increase to \$88,042.62 for 2008 and may increase by up to 7% for 2009 to \$94,205.60 and 7% for 2010 to \$100,800.00; and

WHEREAS, maintenance and support services provided by Now Solutions in 2007 were billed at the annual rate of \$27,796.48, with a maximum annual fee escalator of 8%; and

WHEREAS, the CFO/Comptroller, the Director of Human Resources and the Director of Information Systems are all very satisfied with the performance of the HR and payroll software modules and the maintenance and support services provided by Now Solutions, and agree that the Commission should take advantage of any cost savings that may be realized by extending the Now Solutions Maintenance Agreement for longer than a one year period; and

WHEREAS, Now Solutions has offered to hold the line on any annual increases for maintenance and support services if the Commission agrees to a new three-year Maintenance Agreement for 2008, 2009 and 2010 at \$25,000.00 per year or \$75,000.00 total; and

WHEREAS, the Commission's CFO/Comptroller reports that entering such a three-year Maintenance Agreement with Now Solutions will result in a total cost savings to the Commission of \$14,640.00; and

WHEREAS, because proposed expenditures with both Ross Systems and Now Solutions under these Maintenance Agreement extensions will exceed \$150,000.00, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission approval to extend these respective Maintenance Agreements is necessary; and

WHEREAS, the Commission's Executive Director has reviewed the reports of the CFO/Comptroller, the Director of Human Resources and the Director of Information Systems and, predicated upon such analysis, has recommended to the Commission that the Maintenance Agreements with both Ross Systems and Now Solutions be extended as outlined herein; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Executive Director and Director of Contracts Administration are authorized to enter into annual extensions of the original Maintenance Agreement with **Ross Systems, Inc. of Atlanta, Georgia** in amounts not to exceed **\$88,042.62 for 2008, \$94,205.60 for 2009 and \$100,800.00 for 2010** under which Ross Systems shall provide continued maintenance and software support services for the software modules used to perform the Commission's equipment maintenance, financial reporting, inventory and purchasing functions; and

FURTHER RESOLVED that the Executive Director and Director of Contracts Administration are authorized to enter into a three (3) year extension of the original Maintenance Agreement with **Now Solutions, Inc. of Toronto, Canada** for **calendar years 2008, 2009 and 2010 in the total amount of \$75,000.00** under which Now Solutions shall provide continued maintenance and software support services for the software modules used to perform the Commission's HR and payroll functions.

(Resolution No. 47- 2007 adopted December 17, 2007)