



Agenda Item No. (6)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of December 16, 2021

From: Jennifer Mennucci, Director of Budget and Electronic Revenue
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE EXTENSION OF CONTRACT NO. 2018-B-05, CONSULTANTS TO PROVIDE TECHNICAL SUPPORT FOR TOLL OPERATIONS, AND RELATED ACTIONS**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize an extension to the Contract No. 2018-B-05, *Consultants to Provide Technical Support for Toll Operations*, as follows:

1. Authorize a contract extension through December 2023;
2. Authorize additional funding for the on-call services Contract No. 2018-B-05 in an amount not-to-exceed \$2.6 million; and,
3. Increase Capital Project #1525, *Toll System Upgrade* by an additional \$250,000 for consultant services.

This matter will be presented to the Board of Directors at its December 17, 2021 meeting for appropriate action.

Summary

The Golden Gate Bridge, Highway and Transportation District (District) is currently undertaking significant toll system projects, which are supported by services provided by technical consultants pursuant to Contract No. 2018-B-05, *Consultants to Provide Technical Support for Toll Operations*. While the District's gantry-based toll system is being developed, the existing toll system's efficiency in collecting tolls has begun to slightly decline due to its age. In order to ensure that the District can continue to efficiently collect tolls, the District is implementing an interim toll collection system that would improve the toll collection process by using modernized equipment and technology to more effectively capture required transaction information.

In May 2021, the Board approved a transition of vendors for the interim toll collection system to P-Square Solutions, LLC (P-Square) when it became evident that the previous contractor would not be able to meet the critical project schedule and that its proposed system would have less operational functionality than the District's current toll collection system. To prevent further delays and to secure its toll collection system, the District determined that a different solution was required in order to ensure continued toll collection.

This unexpected change in contractors caused a related increase in the amount of consultant services required to support the project. The use of consultant services for this project will exceed the overall authority over the life of the contract. In addition, the District has had to maintain the legacy all electronic toll system in use for longer than anticipated and this has significantly increased need for consultant services to support the current toll operation due to the deteriorating hardware, dated software, and lack of District staff due to vacancies. The additional funding is required to finish the implementation of the interim toll collection system, support the implementation of the toll replacement project through the term of this extension, and to provide ongoing support to current operations until the legacy system is replaced.

Staff is requesting to add to the term of the contract as well as add additional funding of \$2.6 million as follows: \$1.1 million for the remainder of FY 21/22, \$1.1 million in FY 22/23 and \$400,000 for the toll replacement project. This is an on-call bench with not-to-exceed task orders so the funds will not be expended unless needed. The contract includes the following consultants:

FIRM
AECOM
Fagan Consulting LLC
HDR Engineering, Inc.
HNTB Corporation
Milligan Partners
RS&H California, Inc.
Silicon Transportation Consultants
Gannett Fleming (previously Traffic Technologies, Inc.)
WSP USA, Inc.

Examples of the types of services provided to assist in the implementation of the replacement toll system include: technical support for the system development, business rules review, technical review, testing, and project management and coordination between vendors and the District.

Examples of ongoing support for the current toll operation include: support for data refinement projects underway to ensure accuracy of the toll transaction data, assist in ongoing refinements to the customer service center and assessment of its operations, review changing toll policy, monitoring the software file accuracies for toll transactions, and assisting in coordinating hardware troubleshooting between the District electric shop and vendor, and analyzing/trouble shooting inaccurate transactions, assist District in program coordination between vendor and monitoring contract compliance, data requests for toll issues, and other analysis of evolving policy changes in the toll program.

As described above, the District has already sustained substantial delays on its toll system projects and the need for these projects only grows more urgent as it is increasingly difficult to procure or build the necessary hardware to keep the toll system functioning. The current consultants are performing necessary services in support of these projects. Furthermore, the consultants were vital in facilitating the transition to P-Square and continue to provide critical support during this sensitive transition period. The District would incur substantial cost, loss of quality, and more project delays if it changes from the current bench of consultants supporting the toll system projects.

The consultant bench has proven invaluable in allowing the District to bring in a variety of expertise and skill sets needed for different parts of the project and ongoing operational needs. The Electronic Revenue Department has utilized this contract to assist in the filling the operational needs for 2 vacancies currently in the department as well as to assist in every day operational issues that have grown as the system ages. In order to maintain continuity of services on the District's toll system projects, to avoid the duplication of efforts and unnecessary expense required to integrate new consultants, and to avoid further project delays, the District has determined that the public interest is best served by extending the current consultants' agreements through December 2023. Given the technical complexities of the District's toll collection system, the existing consultants' expertise, and continuing operational pressures during the COVID-19 epidemic, a competitive process to select a new bench of consultants would be unavailing and serve no useful purpose here.

Over the life of this current contract, the District has spent approximately \$2.85 million on on-call support. The consultants helped with the software transition to 6C, a statewide mandate that had to be deployed by January 2019, as well as begin the replacement project in the Toll lane canopy to refresh hardware and transition out of the old software.

Lastly, this report requests an additional \$250,000 be added to the Capital Project #1525, *Toll System Upgrade*, to assist in the transition between current toll vendor to the new toll vendor. This amount is included in the overall requested \$2.6 million additional contract authority for 2018-B-05.

Fiscal Impact

These services will be provided pursuant to task orders, either on a firm fixed price or time and materials basis, as appropriate for the work involved. The total cost for this extension is an additional not-to-exceed \$2.6 million over the life of the term. Funds for the task orders will be based on approved Capital or Operating Budgets for the fiscal year in which these task orders are implemented.

Project #1525, *Toll System Upgrade*, was approved in the FY 2021/22 Bridge Division Capital Budget for \$11,480,848. The proposed amendment would result in a \$250,000 increase to the total project budget. The revised total project budget of \$11,730,848 will be 100% District funded.

Table 1: Project Budget #1525, Toll System Upgrade

	Current Budget	Proposed Adjustment	Proposed Budget
General Project Expenditures	\$418,000		\$418,000
Consultant Services	\$2,188,065	\$250,000	\$2,438,065
Miscellaneous/Incidentals	\$586		\$586
Prime Contract	\$8,414,384		\$8,414,384
Prime Contract Contingency	\$385,316		\$385,316
Computer Hardware/Licenses	\$74,497		\$74,497
TOTAL	\$11,480,848	\$250,000	\$11,730,848