



Agenda Item No. (6)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of January 27, 2022

From: Michael Spegar, Project 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 THE AWARD OF SOLE SOURCE CONTRACT NO. 2021-D-70, GENFARE GFI SOFTWARE SYSTEM UPGRADE, TO GENFARE**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors approve actions relative to the award of sole source Contract No. 2021-D-70, *Genfare GFI Software System Upgrade*, as follows:

1. Approve award of sole source Contract No. 2021-D-70, *Genfare GFI Software System Upgrade*, to Genfare of Elk Grove Village, IL, in the amount of \$515,143, with the understanding that \$269,482 will be for implementation of a software and hardware upgrade to be charged to Capital Project No. 1960, which includes installation and staff training, a contract contingency of \$53,896 equal to 20% of the contract award amount, and \$191,765 in operating costs for ongoing support and maintenance of the GFI system software (Network Manager/Garage Data System) and Genfare hardware (Data Probes, Garage Computers, PDU's) from Genfare for a three-year term and two optional one-year terms, exercisable at the discretion of the General Manager;
2. Approve a budget increase in the FY 21/22 District Division Capital Budget in the amount of \$348,378, relative to Capital Project No. 1960, *Farebox System Upgrade*, for a total project cost of \$593,378; and,
3. Authorize the General Manager or his designee to approve additional amendments to the Contract to allow for future years' annual recurring maintenance and support, 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. Subsequent year's maintenance and support may be subject to an annual cost increase not to exceed 3% of the prior year's pricing.

This matter will be presented to the Board of Directors at its January 28, 2022 meeting for appropriate action.

Background

The GFI System is a fare collection system designed by Genfare that provides both hardware and software solution for fare collection on our Golden Gate buses. Utilizing the Odyssey fare boxes aboard the buses, the GFI system allows for the management and accounting of monies collected on the buses and the reporting of ridership. The System 7, Version 2 software of Network Manager / Garage Data System, which was installed on Golden Gate Bridge, Highway and Transportation District (District) equipment in 2010, is no longer supported by the vendor. Additionally, the existing software application and hardware are inadequate due to aged and unreliable infrastructure, deficiencies when changing the fares, lack of a User Acceptance Test (UAT) environment, and high system administrative resource demands.

After consultation with the Planning, Bus Operations & Maintenance, and Accounting Departments, the District's Information Systems Department recommends that the existing GFI system be upgraded to include the latest software version (ver. 4.06), as well as replacement of all the District's garage data probes and garage computers. The software upgrade will not require the replacement of any of the existing Odyssey fareboxes on the buses.

Genfare is the sole provider of upgrades, maintenance, and support for its proprietary fare collection system. The District has built a customized interface that seamlessly integrates the GFI system with the District's Transtat application, which allows the District to effectively gather data for analysis and reporting on bus ridership and revenue. In addition, since the District is already an established Genfare customer and is familiar with the Network Manager/Garage Data System, continuing to use the GFI system reduces the complexity of the upgrade and conserves District resources. Bringing the fare collection system up to date by procuring a system other than GFI would take considerable time, require dedicated personnel, and would be more costly than the upgrade being proposed—all without providing the GFI system that works successfully for the District. For these reasons, it is in the District's best interest to upgrade its existing GFI system instead of replacing the system through a competitive procurement process.

Staff, with the concurrence of the District's Attorney, has determined that upgrading the GFI system meets the District's requirements for a non-competitive procurement. Section VI of the District's Procurement Manual permits the General Manager to waive the requirement for competitive procurements when permissible under applicable law, the best interests of the District would be served by waiving such requirements under the circumstances, and a determination has been made that following competitive procedures would be unavailing. For the reasons set forth above, procuring this software and hardware upgrade from Genfare meets this standard.

The District's Disadvantaged Business Enterprise (DBE) Program Administrator has determined that Genfare is not a certified DBE or small business firm.

Fiscal Impact

In approving this item, the Board will authorize the award of a contract for the implementation of a software and hardware upgrade, contract contingency, and two one-year term extension options to Genfare in the amount of \$515,143, of which \$323,378 will be charged to Capital Project No. 1960, *Farebox System Upgrade* (see Table 1). The proposed board action would also result in a \$348,378 increase to the total project budget for Project No. 1960. Project No. 1960 was approved in the FY 21/22 District Capital Budget for \$245,000. The revised total project budget of \$593,378

will be 100% District funded (see Table 2). The first year of maintenance of \$44,502 is included in the capital project. Future maintenance and support costs will be budgeted in future operating budgets.

The following table provides a breakdown of the proposed project contract budget:

TABLE 1: CONTRACT BUDGET – GFI SYSTEM UPGRADE

CONTRACT BUDGET	AMOUNT
Capital Expenditures (Project No. 1960)	
Genfare Software and Hardware; Includes Year 1 Maintenance and Support	\$269,482
Contract Contingency (20%)	\$53,896
Subtotal – Capital	\$323,378
Operating Expenditures	
Genfare Maintenance and Support Year 2 (\$45,837) and Year 3 (\$47,212)	\$93,050
Genfare Maintenance & Support Year 4 (\$48,628) and Year 5 (\$50,087) Extensions	\$98,715
Subtotal – Operating	\$191,765
TOTAL CONTRACT BUDGET (Capital & Operating Expenditures)	\$515,143

The following table provides a breakdown of the proposed capital project budget:

TABLE 2: PROPOSED CAPITAL PROJECT BUDGET – No. 1960, FAREBOX SYSTEM UPGRADE

DESCRIPTION	TOTAL PROJECT BUDGET	PROPOSED ADJUSTMENT	TOTAL PROJECT BUDGET
Capital Expenditures			
Prime Contract (Genfare)	-	\$269,482	\$269,482
Contract Contingency (20%)	-	\$53,896	\$53,896
Consultant Services	\$50,000	-	\$50,000
Project Implementation (Staff Labor)	\$50,000	\$90,000	\$140,000
General Project Expenditures	\$105,000	(\$105,000)	-
Non-Rep Staff Fringe	\$40,000	\$40,000	\$80,000
Total Capital Budget	\$245,000	\$348,378	\$593,378

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