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## Alameda Corridor Transportation Authority

November 15, 2019

<b>To:</b>	Governing Board
<b>From:</b>	John T. Doherty, Chief Executive Officer
<b>Subject:</b>	<i>Amendments No. Fourteen to Agreement Nos. C0719 and C0783 with the IBI Group Ltd. for ACTA Systems Support and Maintenance Efforts (APPROVAL)</i>

**Recommendation:**

Approve the two proposed amendments and authorize the Chief Executive Officer or Chief Financial Officer to execute the amendments to two existing contracts with the IBI Group Ltd. for services as follows:

1. Agreement No. C0719 – two-year term extension through December 31, 2021 with an increase of \$175,560 to be paid in equal monthly amounts for support and maintenance of ACTA's Revenue Assessment Verification System and ACTA's PierPass Validation System.
2. Agreement No. C0783 – two-year term extension through December 31, 2021 for special services and system enhancements.

**Discussion:**

The IBI Group Ltd. (IBI) developed and maintains ACTA's complex customized system which is used to monitor and verify over \$100 million in annual revenue collections from the Railroads. The revenue is used principally to pay ACTA debt service on its bonds. The system has worked without incident since its inception in 2002, and it has generated an additional \$120,000 average monthly billing to both railroads.

The system is also used to assist PierPass in its collection of revenue from cargo owners using the Port of Long Beach and the Port of Los Angeles. Under PierPass rules, cargo that is charged an ACTA fee is exempt from the traffic mitigation fee charged by PierPass. Therefore, ACTA checks the PierPass-supplied data to verify that the exemption is valid on a container-by-container basis. Fees paid to IBI for the PierPass Validation System related activities performed under C0719 are invoiced to PierPass by ACTA at the fixed rate of \$5,000 per month.



IBI provides ongoing system support, maintenance and programming design services for both the Revenue Assessment and Verification System (RAVS) and the PierPass Validation System (PVS), and also provides special related services including reprogramming of the systems as needed. Services are provided under two separate agreements: Agreement No. C0719 and Agreement No. C0783.

At its March 2019 meeting, the Board approved a six-month extension of Agreement No. C0719 and Agreement No. C0783 through December 31, 2019. The Board also authorized the modernization of the RAVS system to utilize today's technology to make the system more efficient and easier to maintain by IBI or an outside third party. IBI has successfully completed each assigned task on time and the enhancement will be fully completed by December 31, 2019, with implementation soon thereafter.

With the upcoming changes in ACTA's management and impending implementation of the newly enhanced system, Board approval is sought to extend both Agreements for two years through December 31, 2021. This extension will allow ACTA's new management adequate time to gain an understanding of the current system which has been in place since the inception of revenue collection. Therefore, it is recommended that these Agreements be extended and any decisions regarding future competitive selection procedures for the system support be deferred.

Board approval is sought to extend both Agreements by two years through December 31, 2021, and to increase the contract value of Agreement No. C0719 by \$175,560, to be paid in twenty-four equal monthly amounts of \$7,315 for support and maintenance of the upgraded system. If approved, the new total not-to-exceed amount for Agreement No. C0719 would increase from \$1,621,638 to \$1,797,198. As a result of the system modernization, ACTA was able to lower the monthly support and maintenance fee by approximately 20% from \$9,142.75 a month to \$7,315 a month. The contract value of Agreement No. C0783 would remain at a total not-to-exceed amount of \$670,000.

Prior to the expiration of the Agreements in 2021, staff will return to the Board to discuss contracting options that may exist for maintaining the upgraded system or recommendations for any additional amendments to these existing Agreements.

**Budget Impact:**

These Amendment have no budget impact for the FY20 Program and Operating Budget as the monthly RAVS system maintenance costs are already included. Future Program and Operating Budgets will include the necessary budgetary amounts to fund the required services.

**Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved the proposed Amendments as to form.

Transmittals:

- Transmittal 1 - Fourteenth Amendment to IBI Group LTD Agreement No. C0719
- Transmittal 2 - Fourteenth Amendment to IBI Group LTD Agreement No. C0783