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Alameda Corridor Transportation Authority

June 10, 2021

To:	Governing Board
From:	Michael C. Leue, Chief Executive Officer 
Subject:	<i>Approve Amendments No. Fifteen to Agreement Nos. C0719 and C0783 with IBI Group Ltd. for ACTA Systems Support and Maintenance Efforts (APPROVAL)</i>

Recommendation:

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

1. Agreement No. C0719 – Three-year term extension through December 31, 2024 with an increase of \$263,340 to be paid in equal monthly amounts of \$7,315 for support and maintenance of ACTA’s Revenue Assessment Verification System with the PierPass Validation System incorporated.
2. Agreement No. C0783 – Three-year term extension through December 31, 2024 and an increase in compensation budget of \$100,000 for as-needed special services and system enhancements, beyond the normal support and maintenance, as directed by ACTA.

Discussion:

IBI Group Ltd. (IBI) developed and maintains ACTA’s complex customized Revenue Assessment Verification System (RAVS), which is used by ACTA to monitor and verify over \$100 million in annual revenue collections from the Railroads. RAVS has worked without incident since its inception in 2002. Base on the most recent five year reconciliation of invoices, the system has generated on average \$150,000 additional monthly billing to both railroads, which is in addition to their self-assessment payments.

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. ACTA utilizes RAVS to check the PierPass-supplied data and verify that the exemption is valid on a container-by-container basis. ACTA receives a \$5,000 per month payment from PierPass for the service of verifying the traffic mitigation fee exemption.



At the March 2019 ACTA Governing Board meeting, the Board approved a six-month extension for both Agreements through December 31, 2019. The Board also authorized the modernization of the RAVS to utilize today's technology and make the system more efficient and easier to maintain by IBI or another third party. The modernized RAVS is known as Revenue Assessment Verification System-Next Generation (RAVS-NG).

IBI has successfully completed each assigned task. IBI provides ongoing system support, maintenance and programming design services for RAVS-NG and also provides special related services, including reprogramming RAVS-NG, as needed. Services are provided under two separate agreements: Agreement No. C0719 and Agreement No. C0783. With the modernization of the system, ACTA was able to negotiate a 20% reduction of the monthly fee from \$9,142.75 to \$7,315 for the support and maintenance services provided under Agreement No. C0719.

At the November 2019 meeting, the Board approved a two-year extension for both Agreements through December 31, 2021. Board approval is requested to extend both Agreements for an additional three years, through December 31, 2024. This extension will allow ACTA to provide consistency in maintaining and supporting the core system that manages ACTA's primary revenue source. Therefore, it is recommended that these Agreements be extended for three years.

Board approval is also requested to increase the contract value of both Agreements. Agreement No. C0719 would increase by \$263,340, to be paid in thirty-six equal monthly amounts of \$7,315, for a new total not-to-exceed amount of \$2,060,538. The contract value of Agreement No. C0783 would increase by \$100,000 for a total not-to-exceed amount of \$ 770,000.

Budget Impact:

The contract value increases of these Amendments are included in the FY22 Program and Operating Budget. Future Program and Operating Budgets will include the necessary budgetary amounts to fund the required services. Enhanced revenue collection more than offsets the funds proposed for IBI's services.

Co-General Counsel Review:

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

Transmittals:

Transmittal 1 - Fifteenth Amendment to IBI Group LTD Agreement No. C0719

Transmittal 2 - Fifteenth Amendment to IBI Group LTD Agreement No. C0783