

# Committee Report

Management Committee



**Committee Meeting Date:** August 9, 2023

**For the Metropolitan Council:** August 23, 2023

## Business Item: 2023-181

Software Maintenance Agreement, Contract 17P091 – Amendment Four

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute an amendment for contract 17P091 with Cubic Transportation Systems that will extend the contract term and increase the maximum not to exceed amount to \$4,793,996.

### Summary of Management Committee Discussion/Questions

Chief Information Officer Craig Bantz of the Information Services (IS) Department presented the item. He explained that the amendment before the group is a two-year extension of the current Cubic maintenance support contract for both hardware and software. In the future, the intent is to move from the “Go-To Card” system to a count base system. The current action requested is not the upgrade but a runway that allows for planning to occur. The IS-Department negotiated a four percent two-year increase on the support contract pricing.

Committee members asked if the new technology that the department is planning to migrate to will be a smart phone based system? Mr. Bantz responded positively that the intent is to modernize the user experience by making the system easier for the user. The department may complete the upgrade in less than two years.

Committee members responded with encouragement that a new system is being developed that makes the user experience easier.

Motion by Barber, seconded by Cederberg; Motion carried

# Business Item

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Software Maintenance Agreement, Contract 17P091 – Amendment Four

**District(s), Member(s):** All

**Policy/Legal Reference:** FM 14-2, Expenditures for the Procurement of Goods, Services, and Real Estate Policy

**Staff Prepared/Presented:** Craig Bantz, Chief Information Officer, 651-602-1443

**Division/Department:** Regional Administration/Information Services

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute an amendment for contract 17P091 with Cubic Transportation Systems that will extend the contract term and increase the maximum not to exceed amount to \$4,793,996.

### Background

Since 2003, Cubic Transportation Systems (Cubic) and Metro Transit have had a maintenance agreement for software and hardware support. The Council acquired the original fare collection software from Cubic, and the vendor remains the only provider of support services, making this a sole-source procurement. Cubic continues to provide ongoing monitoring, critical support, and upgrades to the Go-To Card central systems and devices through a software maintenance and support agreement. The original software maintenance agreement was executed in May 2018 and has had three contract amendments.

The current value of the contract is at \$3,493,966. The initial value of the contract was \$1,004,002 and there have been two amendments executed that have added \$89,994, pursuant to Amendment One, and \$2,400,000, pursuant to Amendment Two. Amendment Three extended the contract term to October 31, 2024.

Metro Transit is in the planning stages of upgrading the current fare-collection system with a goal to implement the upgrade within the next two years. During this two-year period, an increase to pricing pursuant to Amendment Four will be \$650,029 annually for services, with a total not to exceed value of \$1,300,000. The pricing and terms are consistent with past agreements and have been determined to be fair and reasonable through comparison to industry standards.

This contract amendment will provide on-going support for the Go-To Card fare collection system, including systems and device monitoring. By extending the contract term to July 31, 2025, it allows Metro Transit to continue services while planning for the upgrade. This will ensure the region can continue to load and collect fares from Go-To Cards.

### Rationale

The amendment of a professional services contract greater than \$500,000 and exceeding 10% of the original authorized value requires Council approval.

### **Thrive Lens Analysis**

This contract amendment will further advance the Thrive outcomes of Stewardship and Sustainability by ensuring reliability, resilience, security, and cost-effectiveness which is critical to the Council's daily efficient operation.

### **Funding**

The Transportation Systems Software Maintenance Agreement is included in the Information Services operating budget using local funds.

### **Small Business Inclusion**

This is an amendment to a previously sole sourced procurement. The Office of Equity and Equal Opportunity did not assign a Metropolitan Council Underutilized Business (MCUB) goal on the contract.

