



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...	GENERAL MANAGER ACTION REQ'D: N/A		
DATE: 10/24/2024		11/26/2024	BOARD INITIATED ITEM: Yes		
Originator/Prepared by: Angie West Dept: OCIO	General Counsel	Controller/Treasurer	District Secretary	BARC	
DocuSigned by: 27159D481AAF4CB...	DocuSigned by: <i>Amelia Sandoral</i> 2528C067C44147D...	DocuSigned by: <i>Chris Gan</i> EE11C8CEEEA04FD...		DocuSigned by: <i>Pamela Herhold</i> 3BB24D6588724F5...	
Signature/Date: 11/26/2024	11/26/2024 []	11/26/2024 []	[]	11/26/2024 []	

Extension of Agreement No.6M4607,with PayPal/Braintree, Mobility as a Service (MaaS) - Payment Processor

PURPOSE:

To request that the Board authorize the General Manager to extend Agreement No. 6M4607 with PayPal/Braintree for one (1) year, for the not-to-exceed amount of \$519,115.33 (subject to the actual transaction volume), for payment processing services that allow BART to charge a customer's credit or debit card for various digital products and services across multiple channels (e.g., mobile app and website).

DISCUSSION:

The District's Mobility as a Service (MaaS) Program requires payment processing, collection and reporting services for parking payment and other transactions across various digital channels. These services also provide back-office financial details to BART Parking Program, Paratransit Contactless Payment offering, and the BART Treasury Department to support refunds, chargebacks, and account reconciliation. Payment processing services play a critical role in BART's Official App, Paratransit Contactless Payment App, and Airport Employee Discount Program because the service enables customers to easily pay for services using a smartphone or website.

On December 6, 2018, the Board authorized the award of Agreement No. 6M4607 to PayPal/Braintree. A Notice to Proceed was issued on January 17, 2019. The procurement covered all required software licenses and maintenance services through January 17, 2023. On December 1, 2022, the District extended the contract for another two-years, through January 17, 2025. The District has invested heavily to integrate and deploy Paypal Payment as a Service into the MaaS environment which has been tested for security, load,

and penetration. PayPal has made a number of customizations and enhancements to meet BART requirements. Updates to and usage of the PayPal/Braintree Payment as a Service are proprietary and are incorporated into the services provided to the District.

This service agreement extension provides the District with pricing, based on transaction volume, to access the PayPal/Braintree payment processing engine for the one-year contract period and for licensing, maintenance, and support.

The Office of General Counsel will approve the Change Order as to form prior to execution. The Procurement Department will review this Agreement to confirm compliance with the District's procurement standards.

FISCAL IMPACT:

The subject EDD proposes a one-year contract at a total cost of \$519,115.33 from 1/17/2025 through 1/17/2026. Funds will be budgeted in the Office of Controller/Treasurer operating budget (Cost Center 0302320 - Credit/Debit Fare Program, Account 602022 - Credit Card and Interchange Fees).

Funding for subsequent years will be set according to revenue estimates included in the proposed annual operating budget, which is subject to Board approval. This action is not anticipated to have any Fiscal Impact on unprogrammed District reserves in the current Fiscal Year.

ALTERNATIVES:

Do not authorize the execution of a Change Order to extend the Agreement term. PayPal payment and maintenance services would be terminated. The District would need to secure another platform to support the payment services for MaaS. If services are not extended, BART parking and paratransit payments in the BART Official App and the Paratransit Contactless Payment App will not function, creating substantial reputational and financial risk for the District.

RECOMMENDATION:

Approve the following motion.

MOTION:

The General Manager or his designee is authorized to extend Agreement No. 6M4607 with PayPal/Braintree for one (1) year, for the not-to-exceed amount of \$519,115.33 (subject to the actual transaction volume), for payment processing services.

