



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <div style="float: right; border: 1px solid black; padding: 2px;"> <small>DocuSigned by:</small> <i>Michael Jones</i> <small>47000790F2D7463...</small> </div>		GENERAL MANAGER ACTION REQ'D: Yes		
DATE: 7/5/2022 7/21/2022		BOARD INITIATED ITEM: No		
Originator/Prepared by: Albert Louie Dept: Strategic Engineering <div style="border: 1px solid black; padding: 2px; margin-top: 10px;"> <small>DocuSigned by:</small> <i>Albert Louie</i> <small>B6E0F66BCB1B462...</small> </div> Signature/Date: <div style="text-align: right;">7/18/2022</div>	General Counsel <div style="border: 1px solid black; padding: 2px; margin-top: 10px;"> <small>DocuSigned by:</small> <i>Jana Belan</i> <small>F8FD7B3A73E74E8...</small> </div> <div style="text-align: right;">7/18/2022 []</div>	Controller/Treasurer <div style="border: 1px solid black; padding: 2px; margin-top: 10px;"> <small>DocuSigned by:</small> <i>Chris Gan</i> <small>EE11C8CEEEA04FD...</small> </div> <div style="text-align: right;">7/18/2022 []</div>	District Secretary <div style="text-align: right;">[]</div>	BARC <div style="border: 1px solid black; padding: 2px; margin-top: 10px;"> <small>DocuSigned by:</small> <i>Shane Edwards</i> <small>8128A2EB2F014F3...</small> </div> <div style="text-align: right;">7/18/2022 []</div>

Execute Agreement with Cubic Transportation Systems, Inc. for continuation of EMV

PURPOSE:

To obtain Board authorization to negotiate and execute a professional service Agreement with Cubic Transportation Systems, Inc. (CTS), for procurement of services to complete the modification of Ticket Vending (TVM) and Add Fare Machine (AFM) Software to accept Europay Mastercard Visa (EMV) cards and encrypt cardholder data. Additional work is needed to complete the project, including installation of an early CTS software release to confirm AFM functionality. Authority for the Agreement and the remaining work in an amount not to exceed \$656,000 is sought.

DISCUSSION:

The initial agreement for CTS services to modify TVM/AFM software, 47CC-100, expired April 23, 2021. BART and CTS had discussed and agreed upon a change order for CTS to provide an early software release and to confirm AFM functionality. Since the initial agreement expired and was not extended prior to the date of the change order, a new agreement needs to be executed.

Staff seeks authority for the General Manager to negotiate and execute a professional services agreement with CTS to complete the project to modify TVM/AFM Software to accept EMV cards and encrypt cardholder data. Approval of a new agreement will

allow Staff to make remaining payments of \$536,017, previously approved by the Board in connection with the previous agreement. Staff also seeks authority to obtain related new software for the project, in an amount not to exceed \$120,000, for a total not to exceed amount of \$656,017.

The Office of the General Counsel will approve the Contract as to form.

Pursuant to the District's Disadvantaged Business Enterprise ("DBE") Program, the Office of Civil Rights is utilizing race and gender-neutral efforts for sole source agreements. Therefore, no DBE goal was set for this agreement.

FTA Circular 4220.IF, Chapter VI, Subparagraph 3.i(1)(b) provides that the recipient may make a sole source award under certain circumstances, including where not utilizing that sole source would result in either "Unacceptable Delay" or "Substantial Duplication Costs." The software modifications to be made by CTS for EMV acceptance falls under both provisions justifying a sole source contract as described below.

The ticket vending machine software was provided by and proprietary to CTS. Development of new software or modification of existing software compatible with vending equipment hardware provided by CTS will require proprietary information from CTS. Discussions about use of such data by another vendor would require a significant amount of time and result in unacceptable delay.

FISCAL IMPACT:

Funding of \$656,000 for the service agreement with Cubic Transportation Systems, Inc. (CTS) to modify Ticket Vending and Add Fare Machine (TVM/AFM) Software is included in the total Project Budget for FMS # 47CC003 . The previous Agreement has a remaining budget of \$536,017 previously approved by the Board and will be transferred to the new Agreement giving Staff approval to make payments to Cubic to complete the project.

The table below lists funding assigned to the referenced project and is included to track funding history against spending authority. Funds needed to meet this request will be expended from the following sources:

Fund Group	Fund Description	Amount
BART	F/G 851W/8526/8529/8531/8532/8534/8535 - Capital Improvement Allocation	\$2,459,297
FTA	F/G 3013/3025/3602/3605/3607/3609 - Federal Transit Administration	\$6,837,192
	TOTAL	\$9,296,489

As of 07/15/2022, \$9,296,489 is the total budget for this project. BART has expended \$7,234,005, committed \$867,633, and reserved \$0 to date. This action will commit \$656,000 leaving an available fund balance of \$538,851 in the fund sources for this project.

The office of Controller/Treasurer certifies that funds are currently available to meet this obligation.

This action is not anticipated to have any Fiscal Impact on unprogrammed District reserves

ALTERNATIVES:

CTS is the single source identified for upgrade of the District's existing TVM/AFM software. The CTS software is proprietary and there are no alternative commercial

sources of supply. If the General Manager is not authorized to negotiate and execute a Contract with CTS as requested, the project will not be completed to configure BART's TVM/AFMs to accept EMV cards, and customers will not be able to use chip cards or mobile devices for payment.

RECOMMENDATION:

Adopt the following motion.

MOTION:

The Board of Directors authorizes the General Manager to negotiate and execute a new professional services agreement with Cubic Transportation Systems, Inc. to complete the modification of Ticket Vending and Add Fare Machine Software to accept EMV cards and encrypt cardholder data and to obtain and test related new software, in an amount not to exceed \$656,000.