



# EXECUTIVE DECISION DOCUMENT

<b>GENERAL MANAGER APPROVAL:</b>		DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...	<b>GENERAL MANAGER ACTION REQ'D:</b> Yes		
DATE: 3/10/2023		3/17/2023	BOARD INITIATED ITEM: No		
<b>Originator/Prepared by:</b> Mitra Moheb <b>Dept:</b> Strategic Engineering	<b>General Counsel</b>	<b>Controller/Treasurer</b>	<b>District Secretary</b>	<b>BARC</b>	
DocuSigned by: <i>Mitra Moheb</i> 2FF3D1D7BECF44D...	DocuSigned by: <i>Jana Belan</i> F8FD7B3A73E74E8...	DocuSigned by: <i>Todd Morgan</i> 701F6C4C0ABE4A8...		DocuSigned by: <i>Shane Edwards</i> 8128A2EB2F014F3...	
<b>Signature/Date:</b> 3/17/2023	3/17/2023 [ ]	3/17/2023 [ ]	[ ]	3/17/2023 [ ]	

## Procurement of Fare Collection Equipment by Competitive Negotiation

### PURPOSE:

- 1) At the March 23, 2023, Board Meeting, to provide information to the Board regarding the staff recommendation to obtain Board authorization for the General Manager to award Contract No. 47CJ-230A to STraffic America, LLC.
- 2) At the April 13, 2023, Board Meeting, or a subsequent Board Meeting, to obtain Board authorization for the General Manager to award Contract No. 47CJ-230A to STraffic America, LLC for the procurement of Fare Collection Equipment.

### DISCUSSION:

Public Contract Code Section 20216 governs the process for the District's procurements of electronic and specialized rail transit equipment by competitive negotiation under Public Contract Code Section 20229.1. Section 20216(e) provides that such a contract may not be awarded until 15 days after the staff's recommendation is made available to the public. Therefore, staff's recommendation for award of the subject Contract will be made available to the public and presented at the March 23, 2023, Board meeting for information purposes only. Staff will request that the Board authorize the General Manager to award the Contract at the April 13, 2023, Board meeting.

For ease of reference, this single Executive Decision Document supports staff's information only item on the March 23, 2023, Board meeting agenda, and the action item on the April 13, 2023, Board meeting agenda (or subsequent Board meeting).

Since the Automatic Fare Collection (AFC) modernization program in 1999, the District has

procured additional fare gates and rehabilitated the original fare gates. The District currently has over 700 fare gates with varying ends of useful life depending on the age of the fare gates as well as whether and when they were rehabilitated. The District has the opportunity to procure new fare gates incorporating updated technology, station hardening/fare evasion features, and lessons learned from the Fare Gate Rehabilitation and Renovation project. BART plans to procure fare collection equipment for a number of reasons, including to:

- reduce opportunities for fare evasion
- improve the customer experience
- improve the maintenance and reliability of fare gates
- take advantage of new technology
- retain existing operational and reporting infrastructure
- support and integrate with regional Clipper fare payment system
- align aesthetics with BART's Station Modernization Program

The scope of work for the procurement, in general, would consist of the purchase of an off-the-shelf fare gate product with vendor support for installation and software integration, as well as program management, in-service support, publications, warranty, training and data submittal.

As the new fare gates will be relied upon for safely and efficiently moving millions of customers throughout the BART system for at least 20 years, it is imperative for the District to be able to consider factors other than price in selecting a supplier, such as a proposer's approach, capabilities and understanding of the District's requirements and needs. Given the projected complexity of this fare gate procurement with its potential design and production challenges inherent when delivering a solution that addresses the District's unique needs, should the need to utilize a new fare gate vendor arise following award to a vendor, staff intends to request that Proposers extend the validity period of their Proposals for a period of time during the initial stages of project delivery in order for the District to meet its projected timelines for systemwide fare gate replacement.

On January 13, 2022, the Board of Directors authorized the General Manager, by two-thirds vote, to initiate the procurement of fare gates by competitive negotiation pursuant to California Public Contract Code Section 20229.1.

On December 1, 2022, following the receipt of Proposals in response to Request for Proposal (RFP), Contract No. 47CJ-230, the Board of Directors authorized the General Manager to reject all Proposals and readvertise for the solicitation of new Proposals.

An Invitation to Propose was published on December 7 and December 9, 2022, in multiple

newspapers. A Notice to Proposers was sent on December 5, 2022, to three (3) prospective Proposers inviting them to view the solicitation on the BART Vendor Portal. On December 2, the Contract Book was uploaded onto the BART Vendor Portal. A total of nine (9) prospective Prime and Sub Proposers downloaded the Invitation to Propose with the instructions on how to obtain the Contract documents. On December 15, 2022, a pre-Proposal meeting was held, and three (3) prospective Prime Proposers attended. Proposals were received by January 10, 2023. The three (3) Proposals were received from the following:

1. Conduent Transport Solutions, Inc.
2. Cubic Transportation System, Inc.
3. STraffic America, LLC

The proposals were reviewed by the BART Selection committee, chaired by the Contract Administration team, which consisted of representatives from a range of departments and disciplines. Based on an initial review of the Proposals and the RFP minimum technical requirements, all three Proposers were determined to be qualified Proposers and responsive to the RFP.

In accordance with the provisions of Contract No. 47CJ-230A, the selection of firms was based on a competitive negotiated procurement based on procedures contained in California Public Contract Code Section 20229.1. Award will be made to the qualified Proposer whose Proposal is most advantageous to the District with price as well as other factors considered.

Evaluations of the Proposals consisted of a review of the following: 1) the Proposer's technical approach, 2) the qualifications and experience of the Proposer and its personnel, 3) oral interviews with the Proposer, and 4) the Proposer's Price Proposal. After the Selection Committee evaluated the Proposers based on the aforementioned criteria, the final combined scoring and ranking resulted in STraffic America, LLC (STraffic) receiving the highest combined evaluation score. Based on this, staff has determined that the Proposal submitted by STraffic is the most advantageous to the District with price and other factors considered. STraffic's total Proposal Price of \$47,163,000 (base price plus option prices) compared to the Engineer's Estimate of \$65,000,000 is considered fair and reasonable. Furthermore, a review of STraffic's business experience and financial capabilities has resulted in a determination that STraffic is responsible and possesses the requisite technical expertise, business experience, and financial capabilities for Contract award.

The table below shows the overall score for each Proposer.

<b>Proposer</b>	<b>Overall Score</b>
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STraffic America, LLC	93.21
Conduent Transport Solutions, Inc.	83.25
Cubic Transportation Systems, Inc.	77.89

To date, \$72,876,522 has been secured for the Next Generation Fare Gates project, as follows:

- BART Funds (Operating-to-Capital Allocations and Measure RR)  
\$22,991,650
- County Transportation Agency Funds  
\$28,108,392
- Federal Funds  
\$15,226,600
- State Funds  
\$6,549,880

Of that amount, \$31,878,250 has been allocated to the project and \$40,998,272 is yet to be allocated.

This Contract was advertised pursuant to the District’s Disadvantaged Business Enterprise (“DBE”) Program requirements. The Office of Civil Rights reviewed the scope of work for this Contract and determined that there were DBE subcontracting opportunities; therefore, a DBE participation goal of 4% was set for this Contract. The low Bidder STraffic America, LLC committed to subcontracting 11% to DBEs. The Office of Civil Rights has determined that the STraffic America, LLC has met the DBE participation goal set for this Contract.

**FISCAL IMPACT:**

Funding in the amount of \$11,271,900 for the award of Base Contract No. 47CJ-230A to STraffic America, LLC is included in the budget for project 47CJ012 Next Gen Fare Gates 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:

	<b>Proposed Funding</b>	
<b>Source</b>	<b>Description</b>	<b>Amount</b>
FTA	State of Good Repair - F/C 3013, 3017, 3020, 3025	\$8,886,600
BARTRR	2022 Measure RR GOB – F/C 802D	9,000,000
BARTOAC	Operating to Capital Allocation – F/C 8531, 8533..8537	13,991,650
	<b>TOTAL</b>	<b>\$31,878,250</b>

As of March 08, 2023, \$31,878,250 is the total budget for this project. BART has expended \$2,715,303, committed \$311,183 and reserved \$8,728,100 to date. This action will commit \$11,271,900, leaving an available fund balance of \$8,851,764 in these fund sources for this Project.

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

**ALTERNATIVES:**

The alternative would be to reject the proposals and re-advertise Contract No. 47CJ-230A. This would delay the roll out of new Fare Gates. In addition, staff does not believe this will result in lower prices or increased competition.

**RECOMMENDATION:**

Adoption of the following motion.

**MOTION:**

The Board finds that STraffic America, LLC has submitted the proposal in response to Contract No. 47CJ-230A that is the most advantageous to the District based on the highest evaluation score received (which considers the proposer's technical proposal, qualifications and experience of the proposer and its personnel, oral interviews with the proposer, and the proposer's price proposal).

To that end, the General Manager is authorized to award Contract No. 47CJ-230A to

STraffic America, LLC in the base contract amount of \$11,271,900 (including all applicable taxes) for the procurement of Fare Collection Equipment, upon certification by the Controller-Treasurer that funding is available, pursuant to notification to be issued by the General Manager, and subject to the District's protest procedures and the Federal Transit Administration's requirements related to protests.

The General Manager is further authorized to exercise any and all options for a total amount not-to-exceed \$47,163,000 (base price plus option prices) (including all applicable taxes) upon certification by the Controller-Treasurer that funding is available.