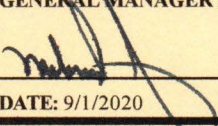
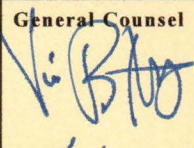
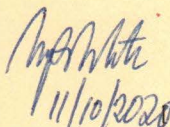
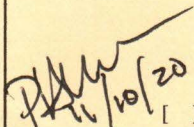




EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:  11/10/2020		GENERAL MANAGER ACTION REQ'D: Concur and forward to Board for approval		
DATE: 9/1/2020		BOARD INITIATED ITEM: Yes		
Originator/Prepared by: Todd Morgan Dept: Assistant Treasurer	General Counsel  11/10/20 []	Controller/Treasurer  11/10/2020 []	District Secretary []	BARC  11/10/20 []

Award of Currency Machine Service Agreement No. 6M2076 with Giesecke & Devrient America, Inc.

PURPOSE:

To obtain Board authorization for the General Manager or his designee to enter into a five-year (January 1, 2021 - December 31, 2025) maintenance services agreement (Agreement) with Giesecke & Devrient America, Inc. (G&D) for maintenance and repair services for the Currency Machine System (CMS) located at the Cash Handling Building (CHB) as well as maintenance and repair of related reconciliation software, in an amount not to exceed \$614,631.

DISCUSSION:

BART's high-speed currency systems, located in the CHB, verify, count, sort, and band the bills collected from the District's automatic fare collection equipment and other sources 5 days a week. This system is comprised of two high-speed processing machines procured in 2016. The system also includes an integrated reconciliation software program, a work station, and a commercial-grade air compressor. This Agreement would continue providing on-site support for operating problems, repairs as necessary, extended preventative maintenance, software and integrated systems support, telephone support, and replacement parts. The machines are extremely complex systems and the training and capital investment required for the District to assume complete maintenance responsibility would not be cost effective.

G&D has provided satisfactory service under the existing agreement and staff expects that level of service to continue under the proposed new Agreement. G&D maintains several similar machines in the Bay Area including those at the Federal Reserve, Bank of America, Wells Fargo Bank, and volume cash processing sites. While the amount of overall cash the

District handles is declining, the District still has a need to process cash.

Pursuant to the District's Non-Federal Small Business Program, the District conducted an analysis and determined that there are no certified Small Businesses certified by the California Department of General Services available for proposing this Agreement. Therefore, no Small Business Prime Preference was set for this Agreement.

Pursuant to the District's Non-Discrimination Program for Subcontracting, the Availability Percentages for this Agreement are 5.5% for Minority Business Enterprises ("MBEs") and 2.8% for Women Business Enterprises ("WBEs"). G&D committed to 0% MBE and 0% WBE participation. G&D did not meet either the MBE and WBE Availability Percentages; therefore, G&D was requested to provide the Office of Civil Rights with supporting documentation to determine if it had discriminated on the basis of race, national origin, color, gender or ethnicity. Based on the review of the information submitted by G&D, the Office of Civil Rights found no evidence of discrimination. The Office of the General Counsel will approve the Agreement as to form.

FISCAL IMPACT:

The quoted maintenance pricing for the CMS is \$614,631.00. The final quote was derived from the current G & D maintenance price list which is the common costing basis for all G & D clients. The current quote is determined to be fair and reasonable by the sponsoring department. The annual price by fiscal year is:

<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>
\$ 60,486	\$ 120,972	\$ 120,972	\$ 122,484	\$ 125,857	\$ 63,860

Funding for FY21 is included in the Treasury Department FY21 operating budget, department #0302319, account #680230. Funding for subsequent years will be 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:

There are no known alternatives that would be cost effective or timely. Due to the proprietary nature of the hardware and software components any attempt to integrate components by a non-G&D supplier would unreasonably increase costs and extend the time for providing required cash handling services. The District cannot afford any interruption to its cash handling functions.

RECOMMENDATION:

Adopt the following motion.

MOTION:

That the General Manager or his designee is authorized to execute a 5 year service agreement (CY21 - CY25) not to exceed \$614,631.00 with Giesecke & Devrient America, for on-call maintenance services for the CMS.