

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100259	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

Regional Software Maintenance Agreement

PURPOSE:

To obtain Board authorization to execute the third year of the Regional Software Maintenance Agreement (RSMA) with Cubic Transportation Systems to provide software maintenance for the Nextfare Software used in the fare collection system and to negotiate and award a contract or contracts for five one year periods of RSMA for the period of 2009 through 2014.

DESCRIPTION:

Metro and participating transit agencies (regional partners) in the Washington area have purchased fare collection systems from Cubic Transportation Systems (Cubic). The fare collection machines are driven by software embedded in the devices and written specifically for this application. The software controls all aspects of machine operation and processing of the cards. Manufacturer software releases to correct errors, to improve performance or to implement upgrades are made available to all agencies participating in the Regional Software Maintenance Agreement (RSMA). The manufacturer provides updates to the core or base software modules as part of the deliverables to those agencies participating in the RSMA and further provides an allowance for software maintenance that can be used for custom upgrades and custom support beyond the level provided in the base agreement. This custom support is not billable until the support is provided; however, the allowable hours may be carried over to future years.

In June 2006, Metro, the regional transit partners and Cubic entered into the Regional Software Maintenance Agreement (RSMA), which requires Cubic to furnish software upgrades and support services, including on-site support under the direction of Metro. The contractor submitted pricing for three years of RSMA, from September 2006 through September 2009, renewable on an annual basis. For the first two years, from September 2006 through September 2008, only the regional agencies contributed to the payment of the agreement since, as per contract, none of the Nextfare software had been delivered to Metro. For the current period, Cubic is required to provide support and the software to Metro; therefore, Metro benefits from the agreement and must share in its financial support. RSMA deliverables include software and support for Metro, for regional

bus fare systems, for the Metrorail fare systems and for the data analysis software running on the servers at Jackson Graham Building and Carmen Turner Facility. Furthermore, Cubic will be providing a second on-site engineer in support of the Metro software as required by the RSMA.

RSMA deliverables for the 2009 through 2014 contracts will include software maintenance and upgrades to the standard software and an allowance for maintenance and upgrades to the custom modules.

This action requests approval to issue a modification in the not-to-exceed amount of \$1,200,000 to Contract C44444 for the RSMA for the period September 2008 through September 2009, and the approval to initiate and negotiate, a sole-source contract to Cubic for the RSMA for five one-year periods from September 2009 through September 2014 subject to availability of funds each year.

FUNDING IMPACT:

This action is only to grant contract authority. It does not increase the Board Approved FY2009 Operating Budget. When the FY2009 Operating Budget was approved there was not sufficient clarity regarding the financial impact of these contractual matters to budget a sufficient amount in the Office of SmarTrip (SMRT).

The FY2009 funding for this contract \$1,200,000 will be sourced in the purchased services category of the operating budget.

The total annual budget for purchased services in rail and bus mode is \$80.9 million. As of February 2009, the year-to-date actual expenditures have been \$43.2 million. The remaining unexpended budget is \$37.7 million.

In addition, the financial impact of this action has already been factored into the costs and assumptions underlying the Proposed FY2010 Operating Budget currently being reviewed by the Finance, Administration and Oversight Committee.

Approval of the increased contract authority being requested in this action can be accommodated without requiring any increase in budget authority.

	Fiscal 2009 Operating
Budget:	Budget
Office:	SMRT (68100)
This Action:	\$1,200,000
Remarks:	see above

It is estimated that the regional partners will contribute a total of \$295,000 each year in support of the RSMA.

	Amount	Cumulative Amount
Base Contract	\$11,952,429	\$11,952,429
Total Prior Modifications	\$12,710,898	\$24,663,327
This action 2008-2009	\$ 1,200,000	\$25,863,327
2009-2010 estimated	\$ 1,200,000	\$27,063,327
2010-2011 estimated	\$ 1,236,000	\$28,299,327
2011-2012 estimated	\$ 1,273,000	\$29,572,327
2012-2013 estimated	\$ 1,311,000	\$30,883,327
2013-2014 estimated	\$ 1,351,000	\$32,234,327

RECOMMENDATION:

Authorization to execute the third year of the Regional Software Maintenance Agreement (RSMA) with Cubic Transportation Systems to provide software maintenance for the Nextfare Software used in the fare collection system in an amount not to exceed \$1,200,000 and to negotiate and award a contract or contracts for five one-year periods of RSMA , subject to the availability of funds for the period of 2009 through 2014 in a total amount not to exceed \$6,371,000.