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Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE
NOVEMBER 19, 2009**

**SUBJECT: HASTUS DAILY OPERATIONS APPLICATION WEB SERVICES
INTERFACE WITH INTERACTIVE VOICE RESPONSE (IVR) SYSTEM
AND PROJECT IMPLEMENTATION CONTINGENCY**

ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

Authorize the Chief Executive Officer to execute MODIFICATION No. 3 to Contract No. PS31501840 with GIRO, INC. for HASTUS (Horaires et Assignments pour System de Transport Urban et Semi-urban) software to provide professional services for software modifications for a firm-fixed price of \$50,160 increasing the Total Contract Value from \$2,211,071 to \$2,261,231 including an amount for vendor maintenance days in the amount of \$29,260.

RATIONALE

We receive services to customize software needed to provide high quality data queries used to inform bus and rail operators their next day work assignments. It is essential that information conveyed to bus and rail operators be accurate and timely regarding next day assignments.

The original project specification for conveying data to the IVR system relied on a complex synchronization of 15 independent data files upon the completion of the daily Mark-up procedure. The 15 independent files would then be merged into one. However, the daily Mark-up procedure at each division is not reliably completed at exactly the same time every day by each division. Therefore, after further consideration, adjustments to the design are recommended to interface, via a web service, to the IVR system. This will allow the IVR to fetch next day assignment data from HASTUS on a case-by-case basis once the Mark-up is completed and it is after 3:00 pm each day. The recommended alternative does not rely on synchronizing our 15 work locations into one data file each day. This will increase the operational efficiency of bus and rail divisions and our ITS unit. The recommended design change will also allow current day assignments to be conveyed via IVR that is not available in the original specification.

We are banking a small contingency of vendor maintenance days to be able to adapt HASTUS software to our unique business needs not anticipated in the project's original specifications. Lastly, we need to have its software vendor on-site during the implementation of the software. The vendor, in addition to our qualified staff, will be on site at each of the divisions being implemented with the new software. Only one three-day on-site visit by the vendor was included in the project when it was originally implemented. After further consideration at least two five-day site visits should be included for implementation support.

FINANCIAL IMPACT

The funding of \$50,160 for this service is included in the FY10 budget in cost center 3150, Service Performance Analysis under project 207061, Transit Operator Activity Scheduling and Tracking (TOAST), and line item 50432 and M/S Computer Supplies funded with Transportation Development Act (TDA). Since FY09, \$943,126 was expended on the milestone payments and Amendment No.1 and 2.

Impacts to Bus and Rail Enterprise Fund Operating and Capital Budgets

The source of funds for this project is the Transportation Development Act (TDA4). These funds are eligible for bus and rail operating and capital expense. No other source of funds was considered for this activity because this project directly benefits bus and rail. Overall, the TOAST project will be cost neutral or realize efficiencies in labor costs.

ALTERNATIVES CONSIDERED

The original project specification for transferring data between Giro HASTUS software and IVR vendor, Ontira, Inc. must be more flexible. The alternative that was included in the project specification required a complex aggregation of 15 separate files that contained information on next day work assignments. It relied on a complex synchronization of all 15 bus and rail divisions upon the completion of the daily Mark-up procedure. Due to our complex business environment the synchronization of 15 work locations would not be reliable. This alternative is not recommended.

We have the option to deploy the software without on-site vendor support, but will do so at its own risk. Transitioning from TOTS to HASTUS is a complicated process and requires as much on-site support as is possible. This alternative is not recommended.

A small contingency of software maintenance days is included in this procurement. This is for issues that are out of scope to original project specifications but necessary to better interface the software to our user community, avoid delays in the project's schedule, meet new requirements not anticipated in the project's original specifications, and add an additional site visit during implementation. The alternative to not have a contingency is not recommended.

ATTACHMENT(S)

- A. Procurement Summary
- A-1. Procurement History

Prepared by: Conan Cheung, Deputy Executive Officer, Operations
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Carolyn Flowers

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Chief Operations Officer

Arthur T. Leahy

Arthur T. Leahy
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

HASTUS LICENSE AND SERVICES AGREEMENT # 651

1.	Contract Number: PS31501840, Modification #3		
2.	Recommended Vendors: GIRO, Inc.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$50,160	Recommended Price: \$50,160	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Unit Rate		
5.	Procurement Dates:		
	A. Issued:	N/A	
	B. Advertised:	N/A	
	C. Pre-proposal Conference:	N/A	
	D. Proposals Due:	N/A	
	E. Pre-Qualification Completed:	N/A	
	F. Conflict of Interest Form Submitted to Ethics: N/A		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: N/A	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
8.	Evaluation Information:		
	A.. Bidders/Proposers Names: GIRO, Inc.	<u>Bid/Proposal Amount:</u> \$50,160	<u>Best and Final Offer Amount:</u> \$50,160
	B. Evaluation Methodology: Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: N/A		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Mark Lu	Telephone Number: (213) 922-4689	
11.	Project Manager: John Fitzgibbon	Telephone Number: (213) 922-6939	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

HASTUS LICENSE AND SERVICES AGREEMENT # 651

A. Background on Contractor

Founded 30 years ago, Giro, Inc. is located in Montreal Canada. Giro is considered a world leader in transit software. They provide computer software, maintenance, and related consulting for transportation applications in 21 countries. In the USA, HASTUS is used by 34 transportation properties, including applications for New York, Chicago, Minneapolis, and San Diego.

Since 1986, the Scheduling Department has used the HASTUS System to create its schedules. Giro has consistently provided us with a cost effective vehicle and crew scheduling solutions that adheres to UTU Labor Agreement, State Law, and accepted practices. Giro's past performance is considered excellent.

B. Procurement Background

In 2006 we procured Giro Inc.'s HASTUS client/server based Daily Operations software package. This was a Board approved sole source procurement in the amount of \$\$2,130,615 under Contract PS31501840. Annual Maintenance agreements for the Daily Operations software begin on October 30, 2009 with us entering into a Program Product License Agreement with Giro. Under the terms of the Agreement, we acquired a perpetual license for the use of the HASTUS complement of software products from Giro. The HASTUS programs are very sophisticated proprietary products. Implementing another software platform would introduce extra cost, avoidable risk, and time-consuming tasks to the project. As such, no other sources were solicited for this requirement.

A Determination & Finding was prepared and approved to execute a noncompetitive procurement for this requirement. This non-competitive action complies with PUC 130237, "Single Source Exceptions," which permits use of a single source of supply for the sole purpose of duplicating or replacing supplies equipment, or material already in use, without observance of competitive bidding requirements.

The matrix below outlines the procurement history.

<u>Date</u>	<u>Description</u> <u>Aggregate Amount</u>	<u>Contract Action</u>	
August 2006	Original Contract Amt	\$2,130,815.00	\$2,130,815.00
March 2009	Modification #1	\$14,943.50	\$2,145,758.50
August 2009	Modification #2	\$65,312.50	\$2,211,071.00
November 2009	Modification #3	\$50,160.00	\$2,261,231.00

Modifications #1 and #2 were within the CEO's approval authority. However, Modification #3 goes over the CEO's approval authority and requires Board approval.

C. Evaluation of Proposals

We have been using the HASTUS System exclusively and no other proposals were solicited. The evaluation of Giro's proposal complied with the requirements of the Procurement Policies and Procedures Manual.

D. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable based upon price analysis. The proposed daily rate is Giro's 2009 standard rate for all USA customers, and it has been the same since the last contract modification. It's considered fair and reasonable.

