



Agenda Item No. 5

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of January 10, 2008

From: Joseph M. Wire, Auditor-Controller  
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE EXECUTION OF AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH TRAFFIC TECHNOLOGIES INC., FOR EXTENDED SUPPORT SERVICES RELATIVE TO CONTRACT NO. 2006-B-19, REPLACEMENT OF FASTRAK<sup>®</sup> LANE AND PLAZA/HOST EQUIPMENT PROJECT**

**Recommendation**

The Finance-Auditing Committee recommends that the Board of Directors approve the following actions:

1. Authorize the General Manager to execute amendments to the professional services agreement with Traffic Technologies, Inc., to provide technical oversight services relative to Contract No. 2006-B-19, *Replacement of FasTrak<sup>®</sup> Lane and Plaza/Host Equipment Project*, at a total not-to-exceed amount of \$280,000; and
2. Authorize a FY 07/08 budget increase for this project in the amount of \$280,000 to be funded from District reserves, to establish a total project budget of \$5,110,000.

with the understand that this project is included in the FY 07/08 Bridge Division Capital Budget and is 100% District funded.

**Summary**

In July 2006, the District authorized an agreement with Traffic Technologies, Inc. (TTI) to provide technical support services and oversight for the design, development, testing, integration, and acceptance of the replacement FasTrak<sup>®</sup> lane and plaza/host systems. The original contract was to expire April 1, 2007, upon the anticipated completion date of the FasTrak<sup>®</sup> project. In April of 2007, the Board approved a six month extension to the contract due to revisions in project implementation of the primary contract with The Revenue Markets, Inc. (TRMI).

Due to further delays in project implementation and system acceptance testing it is now necessary to amend the contract with TTI to extend its engagement with the District through June, 2008, by which date the FasTrak<sup>®</sup> system is estimated to be accepted.

As the District gets closer to system acceptance testing of the new FasTrak<sup>®</sup> system, it is critical to have available the technical services of TTI. TTI's detailed knowledge of the Golden Gate Bridge toll operations and FasTrak<sup>®</sup> system has made it an invaluable asset to this project.

The District has requested, and TTI has provided, a proposal for its continued support services through June 2008. Under this proposal, its hourly rates would remain unchanged at \$125 per hour. TTI estimates that approximately 1,120 hours are needed to complete the scope of work, for a total amount of \$140,000. However, given that TRMI's schedule for completion has fallen so far behind, staff is recommending that the General Manager be given further authorization in the amount of an additional \$140,000 in case TRMI continues to delay completion and a further amendment is needed to secure TTI's services beyond July 1, 2008.

TRMI currently has completed 80% of the contract milestones and the District is withholding \$791,697.98 until completion of system acceptance. In the past, TRMI has paid for the District's third-party consultants when the need for such consultants resulted from TRMI's delays. District staff is in discussions with TRMI regarding reimbursement of the cost that will be incurred by the District for TTI's additional services.

### **Fiscal Impact**

This project is included in the FY 07/08 Bridge Division Capital Budget at a total cost of \$4,830,000 and is 100% District funded. A capital budget increase in the amount of \$280,000 from District reserves is required to fund the additional TTI services projecting a new estimated total cost of \$5,110,000. It is noted, however, that a portion of the approved \$280,000 may not be needed, and some of the costs may eventually be recouped through a negotiated agreement with TRMI.