

T Transportation Committee

Meeting date: June 11, 2007

ADVISORY INFORMATION

Date:	June 4, 2007
Subject:	Sole Source Procurement Contract with Siemens for Software and Hardware Maintenance Agreement
District(s), Member(s):	All
Policy/Legal Reference:	Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$250,000
Staff Prepared/Presented:	Brian J. Lamb, General Manager, 612-349-7510 Vince Pellegrin, Chief Operating Officer, 612-341-5612 Dave Hinrichs, Chief Information Officer, 651-602-1443 Sam L Jacobs, Director Bus Transportation, 612-349-7571 Chris Gran, Director of Purchasing, 612-349-5060
Division/Department:	Metro Transit

Proposed Action/Motion

That the Metropolitan Council authorizes the Regional Administrator to make on-going maintenance and support service payments on a sole-source basis for installed software and hardware for the Siemens Transit Master system. The agreement is for three years with an annual base cost of \$380,830.

Issue(s)

- Hardware and software purchased by the Council requires ongoing maintenance and support. Competitive procurements for the hardware and software have been completed; this item addresses ongoing maintenance and support.
- These services can only be purchased from the original vendor for software and hardware support services as well as hardware repair.
- These software and hardware services meet the Council's requirements for Sole Source Procurement in that the services are unique. The uniqueness is substantially related to the proprietary nature of the hardware/software and interfaces (i.e., Hastus, TX Base, Transit Line, Police Information Management System (PIMS), etc.).

Overview and Funding

The Computer Aided Dispatch/ Automatic Vehicle Location contract with Siemens began in 2001 with a value of \$11.6 million. The warranty period was budgeted to begin in 2003. However, due to outstanding issues, the product warranty period was delayed until November 2006.

This is a three-year agreement with a base amount of \$380,830 per year. An independent cost estimate was completed by staff, and it has been determined the costs are reasonable for the services provided. Future years cost within the contract will increase as additional support is needed for additional hardware support due to fleet size increase, additional Customer Information Systems come on-line, and a software system upgrade.

The first year costs are budgeted in Information Services and Metro Transit Bus Maintenance. The second and third year will be included in the respective budgets for approval.