

RESOLUTION NO. 2022-45

AUTHORIZING AN EXTENSION AND INCREASE TO CONTRACT 2016-140 WITH PASSPORT LABS, INC., fka PASSPORT PARKING, INC. FOR THE PURCHASE OF ADDITIONAL MOBILE TICKETING SOLUTION SERVICES IN AN AMOUNT NOT TO EXCEED \$56,420.00 (GENERAL FUND, INNOVATION & TECHNOLOGY DEPARTMENT BUDGET)

WHEREAS, the Authority has identified the need to continue providing its customers with mobile ticketing service beyond the original term of the contract with Passport Labs, Inc.; and

WHEREAS, Passport Labs, Inc., fka Passport Parking, Inc., with offices located at 128 S. Tyron Street, Suite 2200, Charlotte, NC 28202, has offered to continue providing mobile ticketing solution services for an additional seven (7) months in a negotiated amount not to exceed \$56,420.00; and

WHEREAS, Resolution 2017-008 authorized Contract No. 2016-140 with Passport Parking, Inc. for the purchase of a mobile ticketing solution in an amount not to exceed \$294,000.00 for a base three-year period and an amount not to exceed \$119,500.00 for optional mobile ticketing features, with two, one-year options not to exceed \$96,000 per year exercisable after review and concurrence by the Board of Trustees, for a total contract not to exceed \$605,500.00; and

WHEREAS, Resolution No. 2020-038 authorized the exercise of option year one of two to Contract No. 2016-140 to continue providing a mobile ticketing solution; and

WHEREAS, Resolution No. 2021-045 authorized the exercise of option year two of two to Contract No. 2016-140 to continue providing a mobile ticketing solution; and

WHEREAS, the General Manager, Chief Executive Officer deems the offer of Passport Labs, Inc., to extend the contract an additional seven (7) months, through December 31, 2022, to be advantageous to the Authority, cost and other factors considered, and recommends acceptance thereof by the Board of Trustees; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the offer of Passport Labs, Inc., to provide mobile ticketing solution services for an additional seven (7) months, through December 31, 2022, be and the same is hereby accepted.

Section 2. That the General Manager, Chief Executive Officer of the Authority be and she is hereby authorized to execute a change order to Contract No. 2016-140 for the performance of said services.

Section 3. That this change order will be funded through the General Fund, Innovation & Technology Department budget, in an amount not to exceed \$56,420.00 for the seven (7) month extension, for a total contract amount not to exceed \$661,920.00.

Section 4. That said change order shall be binding upon and an obligation of the Authority, contingent upon compliance by the contractor with the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Passport Labs, Inc. will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: May 24, 2022



\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> AUTHORIZING AN EXTENSION AND INCREASE TO CONTRACT 2016-140 FOR THE PURCHASE OF ADDITIONAL MOBILE TICKETING SOLUTION SERVICES  <b>VENDOR:</b> PASSPORT LABS, INC., fka PASSPORT PARKING, INC.  <b>AMOUNT:</b> NTE \$56,420.00	<b>Resolution No.:</b> 2022-45
	<b>Date:</b> May 19, 2022
	<b>Initiator:</b> Innovation & Technology Department
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a change order to Contract 2016-140 to extend the contract seven (7) months at a not to exceed amount of \$56,420.00 in order to continue providing mobile ticketing services while the Authority transitions to a new mobile ticketing solution.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has been utilizing Passport's mobile ticketing solution since July 2016, beginning with a pilot program. The current agreement is set to expire on May 31, 2022. The Authority is in the process of transitioning to the EZFare mobile ticketing solution by participating in an interagency agreement through the NEORide Regional Council of Governments. There are approximately 19,000 unused purchased mobile fares on the current system. This extension will allow customers to continue utilizing purchased fare media on the Passport solution as we transition to the new solution.
- 3.0 **PROCUREMENT BACKGROUND:** After a competitive negotiated procurement, the Authority awarded Contract 2016-140 to Passport Parking, Inc. for a mobile ticketing solution in an amount not to exceed \$294,000.00 for a base three-year period and an amount not to exceed \$119,500.00 for optional mobile ticketing features, with two, one-year options not to exceed \$96,000 per year exercisable after review and concurrence by the Board of Trustees, for a total contract not to exceed \$605,500.00. Option year one and two have been exercised, with option year two set to expire on May 31, 2022. Resolution 2017-008 authorized the contract and funding of the initial base three-year period. It was requested that each of the option years be brought to the Board of Trustees for approval based on the success of the three-year base period. Ticket sales via the mobile ticketing solution exceeded expectations throughout the base three-year period. During the three-year base term, Passport Parking, Inc. rebranded and changed their name to Passport Labs, Inc. Option year one of two was exercised by Resolution 2020-38 on May 12, 2020. Option year two of two was exercised by Resolution 2021-045 on May 25, 2021.

This resolution will authorize a seven (7) month extension, including funding, to continue using the current mobile ticketing solution through December 31, 2022, as GCRTA transitions to the new EZFare mobile ticketing platform. The not to exceed amount of \$56,420.00 is based on the original contract negotiated rates.

A cost analysis has been performed, and the Procurement Department has determined that the price is fair and reasonable to the Authority. Mobile ticketing sales have exceeded expectations. The negotiated not to exceed amount has benefited the Authority with mobile ticket sales consistently exceeding the capped billable revenue share amount since year one.



- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE participation goal was established for this procurement due to the lack of certified DBE firms.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: The contract increase and extension will be funded through the General Fund, Innovation & Technology Department budget, in an amount not to exceed \$56,420.00, for a total contract amount not to exceed \$661,920.00 over the five (5) year and seven (7) month term.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would result in customers being unable to utilize previously purchased mobile fare media on the current Passport solution and impede a smooth transition to the new EZFare mobile ticketing platform.
- 8.0 RECOMMENDATION: The procurement of the new service provider was discussed by the Board of Trustees at the April 12, 2022 Organizational, Services and Performance Monitoring committee meeting. It is recommended that the negotiated offer of Passport Labs, Inc. be accepted and the resolution passed authorizing the General Manager, Chief Executive Officer to modify the current contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

A handwritten signature in blue ink, appearing to read "J. M. ... for J. ...". The signature is written in a cursive style and is positioned above a horizontal line.

General Manager, Chief Executive Officer