



Item #9

**DATE** July 5, 2017  
**TO** GCTD Board of Directors  
**FROM** Tanya Hawk, Buyer   
**SUBJECT** Consider Authorizing Award of Contract to Electronic Data Magnetics (EDMI) for Fare Media and Transfer Tickets

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## I. EXECUTIVE SUMMARY

An Invitation for Bid was issued on May 19, 2017 to provide Gold Coast Transit District (GCTD) with Fare Media and Transfer Tickets for a one-year base period and four (4) one-year option periods. The contract is firm unit price for the first year, with a price escalation provision for the option years. GCTD only received one bid for Fare Media and Transfer Tickets; it was from Electronic Data Magnetics (EDMI).

This was a sole brand procurement due to the proprietary nature of the encoding required on the tickets. The encoding allows the fare boxes to read the information on the tickets. There are only two companies that have been granted rights to the Genfare encoding for the GFI Odyssey Fare Boxes, EDM I and Magna Data, therefore, they were the only companies to receive the IFB.

Based on GCTD's acceptance of EDM I's proposed pricing, EDM I's bid is considered fair and reasonable for both Fare Media and Transfer Tickets. In addition, a responsibility determination was conducted, which resulted in determining that EDM I is a responsive and responsible contractor capable of meeting GCTD's requirements.

**IT IS RECOMMENDED that the Board of Directors authorize a contract award to Electronic Data Magnetics for Fare Media and Transfer Tickets for a one-year base period with a four (4) one-year options for an estimated amount of \$195,620.15 plus authorize an additional 10% (\$19,562) to cover any additional Fare Media or Transfer Tickets that may be needed during the course of the contract.**

## II. BACKGROUND

GCTD Fare Media and Transfer Tickets are used for all our GFI Odyssey Fare Boxes on all our fixed route buses. We currently use an estimated yearly quantity of 1,500,000 Transfer Tickets and 223,000 Fare Media in different denominations. Fare Media

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passes use two types of paper, 10mil plastic card stock and 10mil paper card stock with multiple colors. The current types of Fare Media we presently use are the 31- Day Pass Adult /Youth/Reduce Fare, 15- Ride Adult/Youth/Reduced Fare, Day Pass Adult/Youth/Reduced Fare, 1-Ride Adult /Youth /Reduced Fare and Special Event Tickets. The Transfer Tickets use 10mil paper card stock and only one color.

With the expiration of the current purchase order for Fare Media and Transfer Tickets, GCTD is required to go out to bid to ensure continued fair and reasonable pricing. The current purchase order expired in February 2017. GCTD initially issued an IFB prior to the expiration of the current contract; however during the course of the process, it became apparent that rights to the proprietary encoding needed on the tickets have been granted by GFI to only two (2) companies, EDM I and Magna Data. GCTD elected to cancel the initial RFP and re-issue a new one as a sole brand competitive procurement to those two companies. The current contractor, EDM I agreed to honor their current pricing for up to six (6) months pending award of this IFB.

The second Invitation for Bid was issued in May 2017 to provide (GCTD) Fare Media and Transfer Tickets for a one-year base period and four (4) one-year option periods At the time of the public bid opening, which was held on June 13, 2017 at 3:00 pm, there was only one (1) bid submitted; from EDM I. There were no attendees for the bid opening.

A price analysis was conducted on EDM I using the proposed pricing and current pricing. The total contract pricing is summarized as follows:

Item	Qty	U/M	Description	CURRENT PRICING		PROPOSED PRICING		
				U/P	TOTAL	U/P	TOTAL	
1	6000	Each	Adult 31 Day Pass	\$0.150	\$900	\$0.150	\$900	
2	6000	Each	Youth Day Pass	\$0.150	\$900	\$0.150	\$900	
3	6000	Each	Reduced Fare 31 Day Pass	\$0.150	\$900	\$0.150	\$900	
4	6000	Each	Adult 15 Ride	\$0.150	\$900	\$0.150	\$900	
5	6000	Each	Youth 15 Ride	\$0.150	\$900	\$0.150	\$900	
6	6000	Each	Reduced Fare 15 Ride	\$0.150	\$900	\$0.150	\$900	
7	4000	Each	Adult/Youth Day Pass	\$0.070	\$280	\$0.070	\$280	
8	4000	Each	Reduced Fare Day Pass	\$0.070	\$280	\$0.070	\$280	
9	75,000	Each	Adult/Youth 1-Ride	\$0.070	\$5,250	\$0.070	\$5,250	
10	50,000	Each	Reduced Fare 1-Ride	\$0.070	\$3,500	\$0.070	\$3,500	
11	4,000	Each	Special Event Ticket	\$0.150	\$600	\$0.150	\$600	
12	1,500,000	Each	Transfer Ticket	\$0.014	\$21,000	\$0.014	\$21,000	
13	1	Freight	Freight included in ticket price					

Based on the above information, it was determined that issuing a one-year base period and four (4) one-year option periods to EDMI is most advantages to GCTD. EDMI's pricing has remained the same over the last two years. Based on the above analysis, EDMI's proposed pricing is considered fair and reasonable.

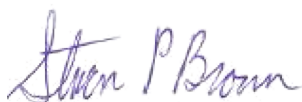
EDMI proposed firm unit pricing for the first year of the contract. Option years 2-5 are estimated amounts. A price escalation provision is included in the terms and conditions of the contract and will be tied to Consumer Price Index (CPI). Staff will ensure the proposed pricing for any option year exercised will be fair and reasonable by conducting a price analysis prior to exercising the option.

A responsibility determination was conducted on EDMI. They are the incumbent contractor and GCTD has had no issues with their current performance. Staff confirmed that EDMI was not listed in the System for Award Management (SAM) nor were there any complaints filed with the Better Business Bureau (BBB). As a result, EDMI Inc. was determined to be a responsive, responsible contractor capable of meeting the requirements.

### **III. SUMMARY & RECOMMENDED ACTION**

**IT IS RECOMMENDED that the Board of Directors authorize a contract award to Electronic Data Magnetics for Fare Media and Transfer Tickets for a one-year base period with a four (4) one-year options for an estimated amount of \$195,620.15 plus authorize an additional 10% (\$19,562) to cover any additional Fare Media or Transfer Tickets that may be needed during the course of the contract.**

Concurrence:



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Steven P. Brown  
General Manager