

**STAFF REPORT FOR CALENDAR ITEM NO.: 7.3
FOR THE MEETING OF: September 12, 2013**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Authorize the Executive Director to execute an amendment to extend the Agreement for a Web-Based Labor Compliance System with Elation Systems, Inc. through December 31, 2017 and additional compensation of \$45,000 (for a total compensation not to exceed \$102,500), with an option to extend the agreement for an additional year for \$6,000.

EXPLANATION:

The TJPA utilizes a Web-Based Labor Compliance System from Elation Systems, Inc. to monitor and track weekly certified payroll reports (CPRs), payment of prevailing wages, compliance with City and County of San Francisco's CityBuild Program, and numbers of apprentices, locals, minorities, women, and veterans working on the Transbay Transit Center Project.

The TJPA explored options for an electronic labor and wage monitoring system in early 2008. Elation Systems and LCP Tracker were the two software firms interested in providing their system. The City and County of San Francisco had just completed a year-long pilot project in which they evaluated the features of both systems. It was found that Elation Systems best met the needs of the City. It had a preferable user interface and more automated features than LCP Tracker. Its architecture was more integrated and reporting and display capabilities more robust. There were also apparent control issues with LCP Tracker, as changes in corrected CPRs were not tracked in the system. Both the SF Unified School District and the former San Francisco Redevelopment Agency had used LCP Tracker in the past but were dissatisfied and converted to Elation Systems.

Elation Systems provided a demonstration to TJPA staff in 2008; LCP Tracker did not respond to requests for a demo. Accordingly, as Elation met the needs of TJPA and taking into consideration the results of the City's pilot project, TJPA negotiated a Software License and Professional Services Agreement with Elation that was entered into in September 2008, under the Executive Director's authority under TJPA Procurement Policy. The initial term was two years with options for three two-year extensions (or through September 2016; this was prior to incorporation of the Train Box into the Phase 1 schedule). The maximum compensation was not to exceed \$57,500, based on a \$500 monthly licensing fee per tracked project and the following estimates of numbers of months per project:

Project	Duration (mos.)	\$500/ month	Total Cost
Temp Terminal	16	\$500	\$8,000
Transit Center	52	\$500	\$26,000
Demolition	11	\$500	\$5,500
Utility Relocation	20	\$500	\$10,000
Bus Storage	16	\$500	\$8,000
Total	115		\$57,500

The first two options to extend were exercised, and the agreement currently expires September 2014, with one remaining option to extend through September 2016. The actual schedule and schedule assumptions moving forward have changed since the time of the original agreement, mainly due to incorporation of the Train Box into the Phase 1 construction schedule. The actual licensing costs have been:

Project	Duration (mos.)	\$500/ month	Total Cost
Temp Terminal	30	\$500	\$15,000
Transit Center	36	\$500	\$18,000
Demolition	15	\$500	\$7,500
Utility Relocation	32	\$500	\$16,000
Bus Storage	-	\$500	-
Total	113		\$56,500

Licensing fees for the Transit Center have been paid through December 2013. Licensing fees for Utility Relocation have been paid through June 2013. A \$1,000 contract balance remains, sufficient for two more months of licensing.

Staff from the TJPA, Program Management/Program Controls team, Construction Management Oversight team, CM/GC team, as well as the Trade Subcontractors, have become familiar with Elation’s certified payroll system. Elation Systems staff is responsive whenever we have a question or require additional services such as developing custom reports; in addition they offer regularly scheduled training at no charge for both agency staff and contractors on the use of the software. TJPA staff would not recommend changing software at this juncture, as it would require costly re-training and archiving/storage of previously filed payrolls.

Licensing is required for the following additional number of months for the on-going projects, considering that certified payrolls will continue to be filed through final completion of each project:

Project	Duration (mos.)	\$500/ month	Total Cost
Transit Center	54	\$500	\$27,000
Utility Relocation	12	\$500	\$6,000
Bus Storage	24	\$500	\$12,000
Total	90		\$45,000

Concurrently with increasing the maximum compensation under the Agreement by \$45,000, staff also recommends extending the term of the Agreement to the end of December 2017, with an additional one-year option at a cost of \$6,000 for any punch list items that will need to be resolved once the Transit Center opens.

RECOMMENDATION:

Staff recommends that the Board of Directors authorize the Executive Director to execute an amendment to extend the Agreement for a Web-Based Labor Compliance System with Elation Systems, Inc. through December 31, 2017, and increase compensation by \$45,000 (for a total compensation not to exceed \$102,500), with an option to extend the agreement for an additional year for \$6,000.

ATTACHMENTS:

1. Resolution
2. Amendment

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, Upon entering the construction phase of the project in November 2008 with the commencement of construction of the Temporary Terminal, an electronic system to monitor and track weekly certified payroll reports (CPRs), payment of prevailing wages, and compliance with City and County of San Francisco's City Build Program was required; and

WHEREAS, After a one-year pilot project, the City and County of San Francisco (CCSF), including City Build and the Office of Labor Standards Enforcement, found the software provided by Elation Systems, Inc. to be a superior product for the purpose of providing these services; and

WHEREAS, TJPA staff negotiated an agreement with Elation Systems, Inc. for an initial term of two years and an amount not to exceed \$57,500, with the option of extending the agreement for three two-year terms; and

WHEREAS, TJPA Executive Director executed an Agreement with Elation Systems, Inc., to furnish a Web-Based Labor Compliance System, dated September 15, 2008, and the Agreement was amended on July 2, 2010 and September 13, 2012 to extend the term by two years each; and

WHEREAS, The construction schedule for the Transbay Transit Center Program has changed since negotiation of the original Agreement, and has been extended in duration by the incorporation of the Train Box into Phase 1 construction; and

WHEREAS, Elation Systems, Inc. has been providing a satisfactory product and service, which all agency and contractor members of the team are now familiar with; and

WHEREAS, TJPA staff recommends that Elation Systems, Inc. software continue to be utilized through December 31, 2017 with total compensation not to exceed \$102,500, and an option to extend the Agreement for an additional year at a cost of \$6,000; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes the Executive Director to execute the amendment to extend the Agreement for a Web-Based Labor Compliance System with Elation Systems, Inc. through December 31, 2017 for total compensation not to exceed \$102,500, with an option to extend the agreement for an additional year at a cost of \$6,000.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of September 12, 2013.

Secretary, Transbay Joint Powers Authority

Amendment No. 03
Software License and Professional Services Agreement between
the Transbay Joint Powers Authority and Elation Systems, Inc.

THIS Amendment No. 3 to the Software License and Professional Services Agreement to furnish a Web-Based Labor Compliance System dated September 15, 2008, as amended July 2, 2010 and September 13, 2012 (“Agreement”), is entered into as of the 12th day of September 2013 in San Francisco, California, by and between **Elation Systems, Inc.** (“Contractor”), and the **Transbay Joint Powers Authority** (“TJPA”).

Recitals

A. On September 15, 2008, the TJPA and Contractor entered into a Software License and Professional Services Agreement for the provision of a Web-based Labor Compliance System to track and monitor submission of certified payroll reports, payment of proper prevailing wages, and compliance with City and County of San Francisco’s CityBuild Program.

B. On July 2, 2010, Amendment No. 1 to the Agreement was executed, exercising the first two-year option and extending the Agreement through September 2012.

C. On September 13, 2012, Amendment No. 2 to the Agreement was executed, exercising the second two-year option and extending the Agreement through September 2014.

D. The TJPA now desires to extend the term of the Agreement to allow for completion of the Transbay Transit Center Phase 1 construction, and increase the Agreement budget to allow for 90 additional months of software licensing.

Now, therefore, TJPA and Contractor agree to amend Section 3, Section 14, and Appendix B of the Agreement in their entirety to read as follows:

3. Term of the Agreement.

Subject to Section 5, the license granted under this Agreement and professional services shall be from September 15, 2008 to December 31, 2017, with the option of one one-year extension at the cost of \$6,000, at the sole discretion of TJPA.

14. Compensation

In no event shall the amount of this Agreement exceed One Hundred Two Thousand Five Hundred dollars (\$102,500). The breakdown of costs associated with this Agreement is provided for in Appendix B.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until Licensed Software and services required under this Agreement are received from Contractor and approved by the TJPA as being in accordance with this Agreement.

In no event shall TJPA be liable for interest or late charges for any late payments.

All other provisions of the Agreement shall remain in full force and effect.

**TRANSBAY JOINT POWERS
AUTHORITY**

CONTRACTOR
Elation Systems, Inc.

Maria Ayerdi-Kaplan
Executive Director

Signature

Transbay Joint Powers Authority
Board of Directors
Resolution No. _____
Adopted: _____
Attest:

Printed Name

Tax Identification Number

Secretary, TJPA Board

Approved as to Form:

By _____
TJPA Legal Counsel

Appendix B

CALCULATION OF CHARGES

Total cost of this Agreement shall not exceed One Hundred Two Thousand Five Hundred dollars (\$102,500.00) for the term of September 15, 2008 to December 31, 2017, with the option of one one-year extension at the sole discretion of TJPA. Payments will be made semi-annually for the License Agreement and services. Breakdown of charges is as follows:

Description of Services	Cost
Labor Compliance Automation, Workforce Utilization, Business Utilization Modules Licensing Agreement	\$500 per month, per project
Additional Training, as requested by TJPA, not including session held monthly at Elation for no charge	\$800 per session