EXECUTIVE SUMMARY

To: Jim Scholl, City Manager

cc: James Fitton, Port and Transit Director

From: Myra Wittenberg, KWDoT Manager

Date: August 11, 2010

Subject: Resolution - Approval of Sole Source Purchase - Procurement Over $ 20,000.00

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Action Statement:
The City of Key West Department of Transportation (KWDoT) is requesting resolution of approval for a sole source procurement in the amount of $22,250.00, per the City's Code of Ordinances Section 2-797 (1) (b) and (c) exemptions as allowed; to allow for purchase of fare box software upgrade, to be installed on the GFI Farebox units.   GFI Genfare is the sole source provider of software and other supports services for the City's transit system farebox system.

Project History:
The City of Key West Department of Transportation initially estimated the cost to complete a fare box upgrade for the electronic farebox system at $16,500.00. This estimate did not include all components necessary and available to KWDoT as technology enhancements have evolved this past year; therefore, our estimate and budget amount was insufficient to provide for purchase of the full system as budgeted. However, as a result of efforts put forth to reduce expenditures in other line item areas, KWDoT identified funds available and approved in this year's budget, processed budget transfers to accommodate adequate budget for a full system software upgrade and now has adequate budget dollars to purchase the GFI Software Upgrade at $22,250.00, as required at this time, in transit budget 411-4402-544.64.

The software upgrade will allow greater detail on report abilities, improved accuracy of all types of reports, and enhanced accounting and auditing controls of farebox transactions for the transit system.

In light of the fact that the additional funds to purchase this upgrade are available within our current year budget - we respectfully request the City approve this sole source procurement in the amount of $22,250.00, to GFI Genfare at this time.

Option #1:
Option #1 would see the City approve the resolution to authorize purchase of GFI Software Upgrade in fiscal year 2010 in an amount exceeding $20,000.00, for a total expenditure of $22,250.00 to GFI Genfare.

Advantages
Advantages of Option #1 are that KWDoT staff will have greater detail and inquiry abilities on the farebox activities, report abilities will increase and improve as to quality and quantity, improved accuracy of all types of reports and inquiries; and enhanced accounting and auditing controls of farebox transactions for the transit system.

Disadvantages
There are no apparent disadvantages on Option #1 at this time.

Fiscal Impact

The fiscal impact is that KWDoT will spend $22,250., as budgeted in the FY 2010 budget, in account 411-4402-544.64.

Option #2:

Option #2 would be that the City not approve the resolution as requested this fiscal year, KWDoT will not complete the GFI Genfare farebox software upgrade project in FY 2010; resulting in our need to continue to request the funding necessary in future budget periods.

Advantages

The City would not spend $ 22,250., for the fare box software upgrade this fiscal year to complete the project resulting in the need to budget those funds in 2011.

Disadvantages

By not approving this resolution KWDoT will be required to obtain a new price quote after October 1, in the 2011 budget year which most likely will result in less favorable pricing. Bottom line is the project may cost more to complete in 2011.

Fiscal Impact

The City would not spend the $22,250.00, in FY 2010 budget - but as stated above, it is approved as a budgeted expenditure in FY 2010, and pricing is only expected to increase in future years.

Recommendation:

KWDoT recommends Option #1, as noted above.

RL/mhw
Attachments
File: Executive Summary (GFI Upgrade FY 2010) 08-16-10 (revised per TW)