

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.5**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Authorizing the Director of Transportation to retroactively execute Contract Amendment No. 2 to San Francisco Municipal Transportation Agency Contract No. 2015-26, with moovel North America, LLC, for software development services for the MuniMobile smartphone ticketing application, to extend the term of the Agreement to October 15, 2018 at no additional cost.



**SUMMARY:**

- SFMTA's MuniMobile application provides customers with the opportunity to purchase single-ride fares and passports on their smartphones.
- MuniMobile has become a well-utilized product and usage continues to grow steadily on a month-over-month basis.
- MuniMobile provides an easy-to-use way for customers to purchase fares and serves as a valuable service offering as plans regarding regional mobile ticketing solutions evolve as part of next-generation Clipper discussions.
- The term of agreement for the Contract Amendment No. 2 is from April 15, 2017 through October 15, 2018.
- Staff have initiated the process to developing a Request for Proposals to procure competitively under a new contract the services provided under this Agreement.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Amendment No. 2 to Contract 2015-26.

**APPROVALS:**

	<b>DATE</b>
DIRECTOR <u></u>	<u>6/13/2017</u>
SECRETARY <u></u>	<u>6/13/2017</u>

**ASSIGNED SFMTAB CALENDAR DATE:** June 20, 2017

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## **PURPOSE**

Authorize the Director of Transportation to retroactively execute the Contract Amendment No. 2 to San Francisco Municipal Transportation Agency Contract No. 2015-26, with moovel North America, LLC, for software development services for the MuniMobile smartphone ticketing application, to extend the term of the Agreement to October 15, 2018 at no additional cost.

## **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

The item will support the following goals and objectives of the SFMTA Strategic Plan:

Goal 2: Make transit, walking, bicycling, taxi, ridesharing, and carsharing the preferred means of travel

Objective 2.1 Improve customer service and communications

Objective 2.2 Improve transit performance

Objective 2.3 Increase use of all private non-auto modes

Goal 3: Improve the environment and quality of life in San Francisco

Objective 3.2 Increase the transportation system's positive impact to the economy

Objective 3.4 Deliver services efficiently

This item will support the following Transit First Policy Principle:

2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.

## **DESCRIPTION**

The SFMTA's MuniMobile smartphone application provides customers a convenient way to purchase single-ride bus, rail, and cable car fares along with one, three, and seven-day passports. In addition to the ability to purchase fares, customers also access trip planning tools, and will soon be able to use a Rate My Ride feature to provide quick feedback about their travel experiences on Muni.

The original contract was executed on October 31, 2014 for a two year term. The total contract amount was not to exceed \$95,000. Contract Amendment No. 1 was authorized by the Director of Transportation on October 15, 2016. It extended the contract by six months to April 30, 2017 and increased the value by \$47,500 to \$142,500.

Under Contract Amendment No. 2, the contract will be retroactively extended to October 15, 2018 at no additional cost. Under the Amendment, the Contractor will continue to support the MuniMobile smartphone ticketing platform, including general ongoing project management

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maintenance, training for SFMTA staff, and provisioning of data and analytics.

Over 123,000 individuals have registered for MuniMobile accounts, and in April 2017, nearly 16,000 customers purchased fares with the application. Overall sales in April 2017 were \$287,526 relative to \$105,067 in April 2016. Staff are continuing to explore avenues to increase usage of the MuniMobile application with a focus on marketing at boarding locations with significant cash usage and high dwell times as well as increasing visitor passports and cable car single ride purchases.

As MuniMobile has become an important fare payment alternative for customers, staff have initiated development of a Request for Proposals to competitively procure under a new contract the services provided under this contract. This process will ensure that customers will be continue to be able to purchase Muni fares on their smartphones after the term of this current agreement comes to a close.

## **LOCAL BUSINESS ENTITY GOALS**

There is no Local Business Entity (LBE) subcontracting participation requirement for this Agreement.

## **STAKEHOLDER ENGAGEMENT**

No outreach was conducted in conjunction with this Amendment. However, feedback was solicited from external stakeholders as part of MuniMobile application development process, and comments received from customers on an ongoing basis help the SFMTA identify and prioritize future improvements.

## **ALTERNATIVES CONSIDERED**

In the immediate term there is no practical alternative to extending the software development agreement that does not risk an interruption in mobile ticketing services. However, staff are in the process of developing a Request for Proposals to competitively procure the services provided under this contract along with a provision that the successful proposal ensure seamless ticketing for MuniMobile customers.

## **FUNDING IMPACT**

This Amendment does not include additional funds. The total contract value is not to exceed \$142,500.

## **ENVIRONMENTAL REVIEW**

On November 3, 2015 the Planning Department concurred with the Municipal Transportation Agency that the MuniMobile application is not a “project” for purposes of environmental review under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California

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Code of Regulations Section 15060(c).

The Planning Department's concurrence is on file with the Secretary to the SFMTA Board of Directors.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

None.

**RECOMMENDATION**

Staff recommends that the San Francisco Municipal Transportation Agency Board of Directors authorize the Director of Transportation to retroactively execute the Contract Amendment No. 2 to San Francisco Municipal Transportation Agency Contract No. 2015-26, with moovel North America, LLC, for software development services for the MuniMobile smartphone ticketing application, to extend the term of the Agreement to October 15, 2018 at no additional cost.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) initiated the MuniMobile mobile fare payment pilot to provide customers with a convenient means of paying single-ride bus and rail, cable car, and passport fares using smartphones;

WHEREAS, The SFMTA entered into contract with moovel North America, LLC for mobile fare payment services on October 31, 2014 for a two year period and a contract amount not to exceed \$95,000.; and,

WHEREAS, On October 15, 2016, the Director of Transportation authorized Contract Amendment No. 1 to extend the term of the contract by six month to April 30, 2017 and increase the value by \$47,500 for a contract amount not to exceed \$142,500; and,

WHEREAS, Customer use of the MuniMobile smartphone ticketing application continues to grow steadily on a month-over-month basis; and

WHEREAS, Increasing usage of the MuniMobile application is an indicator of customer appreciation for alternative means of paying for Muni fares; and

WHEREAS, The SFMTA is committed to providing services such as MuniMobile that make the transit riding and fare payment experience efficient; and

WHEREAS, The SFMTA is preparing to competitively solicit under a new contract the services under this Agreement to ensure seamless ticketing for MuniMobile customers; and

WHEREAS, The MuniMobile application does not constitute a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations 15060(c); now therefore be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation to retroactively execute Amendment No. 2 to Contract No. 2015-26, with moovel North America, LLC; for software development services for the MuniMobile smartphone ticketing application, to extend the term of the contract to October 15, 2018 at no additional cost.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 20, 2017.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

**City and County of San Francisco  
Municipal Transportation Agency  
One South Van Ness Ave. 7<sup>th</sup> Floor  
San Francisco, California 94103**

**Contract Amendment No. 2 to Agreement**

**Contract No. SFMTA 2015-26**

THIS AMENDMENT (this “Amendment”) is made as of April \_\_\_\_\_, 2017 in San Francisco, California, by and between **moovel North America, LLC** (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Municipal Transportation Agency (“SFMTA”).

RECITALS

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the Agreement by 18 months.
- C. City requires the additional time provided by this extension to procure competitively under a new contract the services provided under the Agreement. City intends to complete the procurement process by September 30, 2017.
- D. The City’s authority to enter into the Agreement and this Amendment is provided under San Francisco Administrative Code section 21.30.

NOW, THEREFORE, Contractor and the City agree as follows:

**1. Definitions.** The following definitions shall apply to this Amendment:

**1a. Agreement.** The term “Agreement” shall mean the Agreement dated October 31, 2014, as amended by the Assignment and Assumption Agreement dated September 19, 2016, and Contract Amendment No. 2 dated October 15, 2016.

**1b. Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**2. Modifications to the Agreement.**

**2a. Section 3 (Term of the Agreement)** of the Agreement is replaced in its entirety to read as follows:

**3. Term of the Agreement.** The term of this Agreement shall be from October 31, 2014 to October 15, 2018.

**2b. Section 23 (Insurance)** of the Agreement is replaced in its entirety to read as follows:

**23. Insurance.**

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**a.** Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(1) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(2) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(3) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(4) Technology Errors and Omissions Liability coverage, with limits of \$1,000,000 each occurrence and each loss, and \$2,000,000 general aggregate. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of services defined in the contract and shall also provide coverage for the following risks:

(i) Liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form;

(ii) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and

(iii) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to the City's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon.

**b.** Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

(1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

**c.** All policies shall be endorsed to provide 30 days' advance written notice

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to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 11.1, entitled "Notices to the Parties." All notices, certificates and endorsements shall include the SFMTA contract number and title on the cover page.

**d.** Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

**e.** Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

**f.** Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

**g.** The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

**h.** If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

**2c.** **Section 36 (Reserved)** of the Agreement is replaced in its entirety to read as follows:

**36. Consideration of Criminal History in Hiring and Employment Decisions.**

**a.** Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T, "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code ("Chapter 12T"), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this



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Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

b. The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

**3. Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after the date of this Amendment.

**4. Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

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IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

<p>CITY</p> <p>San Francisco</p> <p>Municipal Transportation Agency</p> <hr/> <p>Edward D. Reiskin Director of Transportation</p> <p>AUTHORIZED BY:</p> <p>MUNICIPAL TRANSPORTATION AGENCY BOARD OF DIRECTORS</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Roberta Boomer, Secretary</p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By:</p> <hr/> <p>Isidro A. Jiménez Deputy City Attorney</p>	<p>CONTRACTOR</p> <p>moovel North America, LLC</p> <hr/> <p>Sam Marshall Chief Financial Officer moovel North America, LLC</p> <hr/> <p>Jose Valera General Council moovel North America, LLC</p>
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