

SUMMARY STATEMENT

ITEM NO.: PATCO-18-005

SUBJECT: Webhosting & Maintenance
of FREEDOM Card e-Commerce
Application

COMMITTEE:

Operations and Maintenance

COMMITTEE MEETING DATE:

February 6, 2018

BOARD ACTION DATE:

February 21, 2018

PROPOSAL: That the Board authorizes staff to negotiate a 5 year contract with Acadaca, LLC, whereby Acadaca will continue to host and support the FREEDOM card web application.

Amount: \$ 828,845

Year 1: \$150,000

Year 2: \$157,500

Year 3: \$165,375

Year 4: \$173,644

Year 5: \$182,326

Firm: Acadaca, LLC
New York, NY

PURPOSE: To contract with Acadaca, whereby Acadaca will host, support and maintain the FREEDOM card website found at PATCOFREEDOMCARD.ORG.

BACKGROUND: The Automated Fare Collection (AFC) e-commerce website has been hosted, monitored and maintained by Acadaca, the application developer, since creation in 2009.

The current Acadaca developed website interfaces with Cubic's Nextfare Application to allow transit customers to purchase FREEDOM cards, sign up for and manage their cards by checking transactions, adding value and registering cards or enrolling in automatic replenishment online.

In 2009, PATCO used the e-commerce website application interface Acadaca developed for Port Authority Trans Hudson (PATH). Acadaca worked with the AFC system integrator Cubic on the PATH website which benefitted PATCO in time and cost savings. Acadaca has developed the code change for the upgraded Nextfare System, which PATCO will deploy later this year. The ongoing relationship

with Acadaca is needed to keep the current site running and allow the web application to function with the expected upgrade. As part of the ongoing Service Level Agreement, Acadaca will continue to host PATCOFREEDOMCARD.ORG in an off-site dedicated PCI compliant hosting environment. Acadaca will continue to provide 24/7 support and redundant hardware in case of hardware failure.

Acadaca has proposed a hosting fee of \$12,500 per month for year one and an increase of 5% per year for the duration of the 5 year contract (Year 2: \$13,125 per month; Year 3: \$13,781 per month; Year 4: \$14,470.31 per month; and Year 5: \$15,193.83 per month).

PATCO recommends continuing the contractual relationship with Acadaca, who has developed, hosted and monitored the PATCOFREEDOMCARD website since 2009.

Staff reviewed the proposal and it is recommended that the Board authorize staff to negotiate a five-year agreement with Acadaca, LLC in an amount not to exceed \$828,845.

SUMMARY:	Amount:	\$828,845
	Source of Funds:	General Fund
	Capital Project #:	N/A
	Master Plan Status:	N/A
	Other Fund Sources:	N/A
	Duration of Contract:	5 years
	Other Parties Involved:	N/A

PATCO-18-005
Operations & Maintenance: February 6, 2018
Board Date: February 21, 2018
Webhosting & Maintenance of
FREEDOM Card e-Commerce Application

RESOLUTION

RESOLVED: That the Board of Commissioners of the Port Authority Transit Corporation authorizes staff to negotiate a contract with Acadaca, LLC in an amount not to exceed \$828,845 whereby Acadaca will host, monitor and maintain the PATCOFREEDOMCARD website per the attached Summary Statement; and be it further

RESOLVED: The Chair, Vice Chair and the President must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and President and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of PATCO along with the President. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the President shall execute such documents on behalf of PATCO.

SUMMARY:	Amount:	\$ 828,845
	Source of Funds:	General Fund
	Capital Project #:	N/A
	Master Plan Status:	N/A
	Other Fund Sources:	N/A
	Duration of Contract:	5 years
	Other Parties Involved:	N/A



MEMORANDUM: PURCHASES GREATER THAN \$25,000
PORT AUTHORITY TRANSIT CORPORATION



TO: John Rink, GM-PATCO
 James White, Chief Financial Officer
 John T. Hanson, CEO-DRPA/ President-PATCO

FROM: Kathleen Imperatore ,Division Director/Project Manager: Fare Collection Operations

SUBJECT: SOLE SOURCE APPROVAL - Acadaca, LLC

PURCHASE REQUISITION: TDD

DATE: Friday, January 12, 2018

Background:

The current Acadaca application/website, created in 2009, interfaces with Cubic's Nextfare System to allow end users to purchase Freedom cards, sign up for and manage their cards (check account transactions, add value to cards, register cards, enroll in autoload/automatic replenishment and edit account information) online.

Justification for Proprietary/Sole Source:

Acadaca developed and owns the code of the e-commerce interface. The application has been hosted, monitored and maintained by Acadaca since creation. PATCO would need an extensive understanding of Cubic's proprietary Nextfare System to develop its own code. Acadaca worked with Cubic on the programming of the interface for PATH which benefitted PATCO in time and cost savings. Acadaca has developed a change in the website code for the expected Nextfare upgrade. The ongoing relationship with Acadaca is needed to keep the current site running and allow the web application to function with the expected upgrade. As part of the on-going Service Level Agreement, Acadaca will continue to host the site at an off site dedicated PCI compliant hosting environment. Acadaca will monitor the service and provide 24/7 support and redundant hardware in case of failure.

Cost:

\$12,500 per month (year 1)= \$150,000 \$13,125 per month (year 2)= \$157,500
 \$13,781.25 per month (year 3)= \$165,375 \$14,470.31 per month (year 4)= \$173,645.75
 \$15,193.83 per month (year 5)= \$182,325.94 \$828,844.69 for 5 year contract Largest
 cost driver/increase due to PATCO requirement of increase in cyber liability insurance.

Kathleen Imperatore ,Division Director

 SIGNATURE

John Rink, GM-PATCO

 SIGNATURE

James White, CFO

 SIGNATURE

John T. Hanson, CEO-DRPA/ President-PATCO

 SIGNATURE





DELAWARE RIVER PORT AUTHORITY

January 8, 2018

One Port Center
2 Riverside Drive
Camden NJ
Attn: Kathleen Imperatore

Re: Quotation for PATCO AFT System Website: Hosting and related Services

As it related specifically to replacing the existing Agreement between Acadaca LLC and DRPA entitled *Contract No. GN-0017-13, Hosting of e-Commerce Website for the PATCO Automated Fare Collection System and Development of Mobile Application*:

It is time to replace the above mentioned PATCO Automated Fare Collection System Contract for the PATCO AFT System Website Hosting Services, which expired on September 30, 2017. Therefore, Acadaca LLC proposes to extend this agreement, for a 5-year term.

During this timeframe, Acadaca LLC proposes that PATCO shall pay to Acadaca:

- Hosting fee in the sum of \$12,500.00 per month. This is an increase (from \$10,364.89 per month), due to the added costs for the additional cyber insurance limits and cyber insurance coverages that PATCO has contractually required Acadaca to maintain for the duration of this new Agreement, as well as rising security and infrastructure costs. This fee will increase by 5%, on each 1-year anniversary of this Agreement.
- Any Client Support for enhancements or other additional services, which may entail Project Management, Account Management, and/or Ongoing Development efforts and Quality Assurance shall be provided at the fixed price of \$125.00 per hour. This fee will increase by 5%, on each 1-year anniversary of this Agreement.

Should you find this quotation acceptable, please send us a corresponding Letter of Proposal Acceptance. If you have any questions or would like further information, please reach out directly to myself, Jason Feingold, at 917-771-6697 or Jason@acadaca.com.

Sincerely,
Jason Feingold

Founder & CEO
Acadaca, LLC
636 Broadway, Suite 1000
New York, NY 10012

Month 1	\$12,500.00
Month 2	\$12,500.00
Month 3	\$12,500.00
Month 4	\$12,500.00
Month 5	\$12,500.00
Month 6	\$12,500.00
Month 7	\$12,500.00
Month 8	\$12,500.00
Month 9	\$12,500.00
Month 10	\$12,500.00
Month 11	\$12,500.00
Month 12	\$12,500.00

Year 1 **\$150,000.00**

Month 1	\$13,125.00
Month 2	\$13,125.00
Month 3	\$13,125.00
Month 4	\$13,125.00
Month 5	\$13,125.00
Month 6	\$13,125.00
Month 7	\$13,125.00
Month 8	\$13,125.00
Month 9	\$13,125.00
Month 10	\$13,125.00
Month 11	\$13,125.00
Month 12	\$13,125.00

Year 2 **\$157,500.00**

Month 1	\$13,781.25
Month 2	\$13,781.25
Month 3	\$13,781.25
Month 4	\$13,781.25
Month 5	\$13,781.25
Month 6	\$13,781.25
Month 7	\$13,781.25
Month 8	\$13,781.25
Month 9	\$13,781.25
Month 10	\$13,781.25
Month 11	\$13,781.25
Month 12	\$13,781.25

Year 3 **\$165,375.00**

Month 1	\$14,470.31
Month 2	\$14,470.31

Month 3	\$14,470.31
Month 4	\$14,470.31
Month 5	\$14,470.31
Month 6	\$14,470.31
Month 7	\$14,470.31
Month 8	\$14,470.31
Month 9	\$14,470.31
Month 10	\$14,470.31
Month 11	\$14,470.31
Month 12	\$14,470.31

Year 4 **\$173,643.75**

Month 1	\$15,193.83
Month 2	\$15,193.83
Month 3	\$15,193.83
Month 4	\$15,193.83
Month 5	\$15,193.83
Month 6	\$15,193.83
Month 7	\$15,193.83
Month 8	\$15,193.83
Month 9	\$15,193.83
Month 10	\$15,193.83
Month 11	\$15,193.83
Month 12	\$15,193.83

Year5 **\$182,325.94**