

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 7/23/2025

Staff Report No. 25-268

TO: AC Transit Board of Directors
FROM: Salvador Llamas, General Manager/Chief Executive Officer
SUBJECT: East Bay Paratransit Software Implementation

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider authorizing the General Manager to expend additional funds for Project Management Oversight (PMO) services required to implement the East Bay Paratransit Consortium's (EBPC's) Software, up to \$1,115,477.

Staff Contact:
Ramakrishna Pochiraju, Executive Director of Planning & Engineering
Ahsan Baig, Chief Information Officer

STRATEGIC IMPORTANCE:

Goal - Convenient and Reliable Service
Initiative - Service Quality

PMO services for successful implementation of EBPC software and contactless payment system integration are essential to deploy integrated scheduling system which will enhance EBP's operational efficiency and improve the customer experience for paratransit riders.

BUDGETARY/FISCAL IMPACT:

On April 24, 2024, the Board of Directors authorized the General Manager to enter into a three-party contract with Spare Labs, Inc., provider of the scheduling software application, in concert with the Bay Area Rapid Transit District (BART) in the amount of \$4,566,000. The District's share of the cost of that contract with Spare Labs, Inc. (Spare Labs) is approximately 69% of the total cost (\$3,149,315).

In addition to the Spare Labs software purchase, there are other associated costs with this project. These are identified in the table below:

Other Implementation Project Costs	Total Cost	69% District Share
Project Management Oversight (PMO) services to oversee Spare's implementation	\$755,800	\$521,502

Integration of EBP's contactless payment application	\$250,000	\$172,500
Project contingency (cost reserves)	\$610,833	\$421,475
Other Implementation Project Costs Total	\$1,616,633	\$1,115,477

The above associated costs, less contingency (cost reserves), are included in the District's FY 24-25 and FY 25-26 Purchased Transportation budget under the Paratransit 'Miscellaneous Expenses' and 'Other ADA Consortium' line items.

Since BART holds the contract for the PMO services and application of contactless payment, BART will pay for these services directly. AC Transit will reimburse BART it's proportional share of these costs via the long-standing financial reconciliation process via the EBP Broker's monthly invoice.

This process allows each agency to seek reimbursement for any cost for contracts held solely by one of the agencies for the purposes of delivering EBP services.

BACKGROUND/RATIONALE:

On April 11th and 24th of 2024, respectively, the Board of Directors for BART and AC Transit each approved the execution of a three-party contract for new paratransit software services with Spare Labs, Inc. for a seven-year term comprising a two-year implementation period, five-year operations and maintenance (O&M) period, and options to replace the software currently used to operate EBP.

On July 10th, 2024, the Board authorized the General Manager to execute a funding agreement with BART to memorialize the Board's April 24th, 2024, approval of the contract with Spare Labs, recognizing BART would serve as the agency responsible for the administering the contract and the District would pay BART for its share of the costs. The Interim General Manager/CEO and General Counsel executed the funding agreement on May 13th, 2025.

At the same time, recognizing the need for a dedicated team with expertise in large-scale software integration, testing, project management, and technical support, AC Transit and BART staff collaborated to develop a detailed Scope of Services to procure a PMO vendor. These specialized resources are required for a limited period to help ensure the timely and cost-effective implementation of the Spare Labs software.

To that end, in June 2024, BART issued the Scope of Services to six vendors listed on the California Multiple Award Schedule (CMAS). One vendor, Transsight, submitted a proposal and was subsequently awarded the PMO services contract by BART in September 2024. This procurement and contract award align with the shared responsibilities and long-standing partnership between AC Transit and BART in administering East Bay Paratransit (EBP) services. The associated additional costs, less contingency (cost reserves), are included in the District's FY 24-25 and FY 25-26 Purchased Transportation budget under the Paratransit 'Miscellaneous Expenses' and 'Other ADA Consortium' line items. Since BART holds the contract for the PMO services and application of contactless payment, BART will pay for these services directly. Staff is seeking board authority to reimburse BART through EBP Broker invoices to fulfill our cost-sharing obligation.

Both BART and AC Transit Staff work directly with Transsight to bring additional focus on project management, technical and implementation experience. The agencies established a project organization structure for

budgeting, consultant, and technical oversight.

Transsight has been providing PMO services and works with the EBP software stakeholders, departments and entities to move the EBP's core systems (scheduling and dispatch) from a legacy software to the new Spare Labs platform. Tasks include but are not limited to:

- Project Management and collaborate with all entities involved
- Software configuration and data migration
- Building software modules (certification, customer service, etc.)
- Development of an internal/external communications plan
- Revenue vehicle configuration
- Developing and coordinating Spare Labs Software Testing and Acceptance Plans
- Developing SOPs to adopt and operationalize the new software platform
- Integration of EBP's contactless payment application with Spare Labs

Transsight organizes weekly meetings and is responsible for tracking and reporting on all Spare Labs contract requirements and deliverables.

Transsight manages and documents all project phases (e.g. project initiation, design, development, testing and acceptance) and project milestones and project schedules. Transsight reports on those project elements to a project team comprised of AC Transit staff, from IT and Accessible Services and BART staff. AC Transit staff have been working on daily basis with the BART project team to manage the PMO consulting services software implementation deliverables and budget.

Staff is requesting the Board consider authorizing the General Manager to expend additional funds for Project Management Oversight (PMO) services required to implement the East Bay Paratransit Consortium's (EBPC's) Software, up to \$1,115,477, of which \$694,002 has been budgeted. The District's remaining share of \$421,475 is for project contingency (cost reserves) which is not part of the budgeted amount.

ADVANTAGES/DISADVANTAGES:

The PMO services are critical to the success of timely delivery of a turnkey software solution. It was jointly determined that neither AC Transit, BART or Transdev (EBP's service broker) could have assumed the responsibilities in conducting all the administrative, management and technical expertise associated with the implementation of this project.

Other than cost, there are no disadvantages to funding the other critical expenses that are required for successful implementation.

ALTERNATIVES ANALYSIS:

One alternative is to not approve the additional costs necessary for the successful implementation of the Spare Labs software and require staff to identify a separate funding source and mechanism to reimburse BART for these associated costs. Staff does not recommend this alternative. Implementation of the software has greater benefits to AC Transit and its eligible paratransit customers and is reflected in the agreed upon cost-

splitting ratio between the two agencies.

Another alternative for the board is to authorize the General Manager to expend up to the budgeted \$694,002 amount only and require staff to seek board approval for cost reserves (project contingency) if and when needed.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 22-353 - 2024 Board approval of Comprehensive Investment Plan (CIP)

SR 24-241 - Contract Award: Paratransit System Software

SR 24-381 - Funding Agreement for East Bay Paratransit Software

ATTACHMENTS:

None

Prepared by:

Mallory Nestor-Brush, Manager of Accessible Services

Patricia Broadbent, Senior Project Manager

Approved/Reviewed by:

Robert del Rosario, Director of Service Development & Planning

Ramakrishna Pochiraju, Executive Director of Planning & Engineering

Aimee L. Steele, General Counsel/Chief Legal Officer

Chris Andrichak, Chief Financial Officer

Ahsan Baig, Chief Information Officer