

BOARD OF DIRECTORS REPORT

To: David A. Genova, General Manager and CEO

From: Heather McKillop, CFO/AGM, Finance & Administration

Date: April 2, 2019

Subject: Approval of IGA between RTD and the State's Office of Information Technology

Date: April 3, 2019

GM

Board Meeting Date:

RECOMMENDED ACTION

It is recommended by the Financial Administration and Audit Committee that the Board of Directors authorize the General Manager or his designee to execute all documents necessary to execute an IGA to develop and operate software to help manage LiVE Eligibility Applications through the State PEAK software system (State Contract Management System (CMS) # 128691) for an amount not to exceed \$1,800,000. The IGA is for five (5) years of development, operations and maintenance.

This action supports the following General Manager's Goals:

Core Goal #3: Strong Financial Management

Task Goal #3: Ensure Fiscal Sustainability

BACKGROUND

RTD commits to reviewing its Fare Structure and Fare Programs every three years to determine if any additions or changes are required to provide the best options for RTD ridership and meet RTD's revenue targets. As part of this process, the RTD Board of Directors approved a new Low-Income Fare (LiVE) Program in mid-September 2018.

RTD is working with the Colorado Governor's Office of Information Technology (OIT) to implement a program for evaluating RTD riders' eligibility for the LiVE program using the State's public benefits application system, PEAK. RTD staff has been meeting with employees from various departments and OIT every week for several months.

The ability to leverage the State of Colorado systems to determine eligibility for the LiVE Program is expected to:

- Reduce the time for implementation of the LiVE Program
- Limit duplication of data
- Allow for consistent eligibility data usage
- Reduce the time spent on administering the LiVE Program's eligibility assessment
- Store sensitive data in the State system (For example, data will include pdfs of the application, photographs, and verification of income information.
- Make it easier for those applying for other benefits to access RTD's LiVE Program
- Save RTD significant expense

DISCUSSION

RTD needs to execute an Intergovernmental Agreement with OIT to implement the LiVE Program. The IGA includes the following items:

- Develop a Business Requirements Document (BRD) to identify necessary changes to the PEAK System. This has been completed.
- Develop a Technical Design Document (TDD) to identify the details for development of the software changes to the PEAK system. This has been completed.
- Perform software development to implement the BRD and TDD.
- Test software changes when complete.
- Provide operational support and maintenance for running the applications, sending automated RTD correspondence, store images and documents, provide system administration and provide call center and help desk support for the application.

The design and software development changes shall be performed by OIT's contractor for a fee. Members of OIT and Members of the PEAK Executive Steering Committee have generously donated their time to provide guidance, support, document development and review to support implementation of RTD's LiVE Program.

FINANCIAL IMPACT

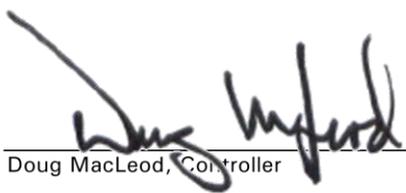
The contract authority shall not exceed \$1,800,000. Funding for this project is included in the 2019 through 2023 Budget. The largest portion of these costs are for the software changes being developed this year. Annual correspondence, operations, maintenance and customer support are not expected to exceed \$211,000 per year during the term of this agreement.

ALTERNATIVES

1. It is recommended by the Financial Administration and Audit Committee that the Board of Directors authorize the General Manager or his designee to execute all documents necessary to execute an IGA to develop and operate software to help manage LiVE Eligibility Applications through the State PEAK software system (State Contract Management System (CMS) # 128691) for an amount not to exceed \$1,800,000. The IGA is for five (5) years of development, operations and maintenance.
2. RTD can independently, or through a contractor, develop software to accept and evaluate applications for the LiVE program. RTD does not have the resources to adequately support the system 24/7 and continuously meet Personally Identifiable Information (PII) security standards. Development of such a system from scratch would take more than a year to implement and would be appreciably more expensive. This would put implementation of the LiVE Program and RTD security systems at significant risk.
3. RTD can develop a process to manually accept and evaluate applications for the LiVE Program. This would require development of new policies and procedures and the hiring of more than 5 new employees. This would take more time and cost significantly more to implement.

Prepared by:
 Heather McKillop, CFO/AGM, Finance & Administration
 Monika Treipl-Harnke, Sr, Manager of Revenue

Approved by:

A handwritten signature in black ink, appearing to read "Doug MacLeod". The signature is written in a cursive style with a long, sweeping underline that extends to the left and then loops back under the name.

Doug MacLeod, Controller

4/3/2019