

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

240



FORM APPROVED COUNTY COUNSEL
 DATE 7-21-14
 BY: *Charles R. Brown*
 JWAJLA R. BROWN
 Departmental Concurrence

FROM: Economic Development Agency

SUBMITTAL DATE:
July 24, 2014

SUBJECT: Authorize the Sole Source Purchase of Airport Business Manager Software System from GCR, Inc. and payment of Annual Maintenance and Support costs up to 5 Years; ALL Districts, [\$139,425 total], [\$12,000 annual maintenance] County Airport Funds 100%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Attached hereto approve the sole source purchase of Airport Business Manager (ABM) Software, totaling \$79,425, \$12,000 as annual maintenance cost commencing at year 2 of the contract.
2. Authorize the Purchasing Agent in accordance with Ordinance 459.4; to purchase the Software for \$35,625 and Implementation services for \$43,800, and; approve annual maintenance and support for \$12,000, effective FY 15/16; annually for up to five additional one-year periods, with increases that do not exceed the annual Consumer Price Index (CPI) rates, and;
3. Authorize the Assistant County Executive Officer/EDA or designee to execute an agreement with GCR, Inc., and any additional documents necessary to implement the agreement with GCR, Inc. subject to County Counsel Approval.

BACKGROUND:

Summary
(Commences on Page 2)

FISCAL PROCEDURES APPROVED
 PAUL ANGLIO, CPA, AUDITOR-CONTROLLER
 BY: *E. Hernandez* 7/24/14
 Esteban Hernandez

Robert Field
 Robert Field
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
	COST	\$ 79,425	\$ 12,000	\$ 139,425	\$
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: County Airport Funds(Fund: 22100) 100%
 Budget Adjustment: No
 For Fiscal Year: 2014/15-19/20

C.E.O. RECOMMENDATION:

APPROVE
 BY: *Rohini Dasika*
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

Purchasing: *Mark Seiler*
 Mark Seiler, Assistant Director

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: | District: All | Agenda Number:

3-12

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Economic Development Agency

FORM 11: Authorize the Sole Source Purchase of Airport Business Manager Software System from GCR, Inc. and payment of Annual Maintenance and Support costs up to 5 Years; ALL Districts, [\$139,425 total], [\$12,000 annual maintenance] County Airport Funds 100%

DATE: July 24, 2014

PAGE: 2 of 2

BACKGROUND:

Summary

The Aviation Division currently uses an Access database created in house in 2003. This database is reaching its data capacity and has developed operational problems causing excessive staffing time spent on data maintenance. The ABM software is an all-inclusive airport management system that will help airport staff manage all areas of the Aviation Division including leases, billings, CPI adjustments, aircraft and auto insurance tracking, online payments, gate card access tracking, utility management, grant management, and airport mapping. Benefits of this software will include: reduced billing errors, faster billing cycles, enhanced strategic information, automated contracts and leases, enhanced reporting capabilities, automated staff communications and authorizations, and automated tenant communications.

During the procurement, ABM was chosen for the following reasons:

- Other systems researched were Aeroware, an internet based management system that provides the same services we currently have and Binary System, a similar database to the one we currently have, but requiring a separate operating system in addition to purchasing the database program.
- Only ABM provided a comprehensive aviation based full management system with automated management and communications tools.

Impact on Citizens and Businesses

Businesses currently operating at the County Airports will gain greater convenience and reliability in the financial and administrative functions that interface with the county airports. The improved administrative efficiencies will contribute to lower overhead costs than the current labor-intensive system, which ultimately means businesses and citizens transacting business with Riverside County airports will benefit from better county service provided at a more competitive cost.

SUPPLEMENTAL:

Additional Fiscal Information

There are no net county costs and no budget adjustment is required.

Contract History and Price Reasonableness

The Airport Business Manager (ABM) application is priced based on the size of the airport. Riverside qualifies for the lowest cost purchase price offered by GCR and the software comes with all of the capabilities and business process improvements comparable to a fully commercial airport such as LAX. The ongoing maintenance and support is approximately 15% of the software purchase price which is below the industry averages of 18% to 22% for ongoing maintenance, resulting in a reasonable price and competitive cost.

Attachments:

Sole Source Agreement

Date: June 16, 2014
From: Daryl Shippy Department/Agency: EDA/County Aviation
To: Board of Supervisors/Purchasing Agent
Via: Purchasing Agent
Subject: Sole Source Procurement; Request for *GCR, Inc.*

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. Supply/Service being requested:

Airport Business Manager (ABM) Software including implementation of various modules that will track leases, billings, COLI adjustments, aircraft and auto insurance, gate card access, utility management, grant management, and airport mapping.

2. Supplier being requested:

GCR, Inc.

3. Alternative suppliers that can or might be able to provide supply/service:

Airport Business Manager (ABM) Software from GCR Consulting, Inc. is a customized all inclusive airport management solution software. Aviation has inquired of all similar sized County and City airports in California regarding the systems they currently use. Most of these airport systems are not as large as Riverside County, which consists of five airports, and they use manual processes with Excel. Other systems used and researched were Aeroware, an internet based management system that provides the same services we currently have and Binary System, a similar database to the one we currently have, but requiring a separate operating system in addition to purchasing the database program. Only ABM provided a comprehensive aviation based full management system with automated management and communications tools.

4. Extent of market search conducted:

- 1. The Aviation Division found a system called Binary Stream. We watched a demo online and contacted the company for pricing. We were told at that point that they do not deal direct with the consumer, but rather through a secondary company, one that sells the operating system Microsoft Dynamics. We discovered the County had Microsoft Dynamics available; however, it is a different version. So we would have to purchase Microsoft Dynamics first before we could buy the modules for Binary System.*
- 2. The Aviation Division met with County IT who proposed to build a database for us; however, with the complexity of the functions needed, we are looking for an existing system already in place that can do everything we required.*
- 3. The Aviation Manager and Development Specialist researched online for a system – there were very few things that even came close to what we need. Most companies did not reply to the inquiries of staff and the companies that did reply could not meet our needs.*

4. *The Development Specialist sent out a mass email to each of the General Aviation airports in California, asking what they of software system do they used. Of the 30 airports that were inquired, only about 10% replied. These airports are tracking their leases on Excel, Quicken or with Access (which is what we currently use). Through this researched the Aviation Division discovered that when an entity was responsible for multiple airports they do not have a system that does tracks their billing and lease agreements.*
5. *The Aviation Manager discovered GCR, Inc. GCR demonstrated the system to Aviation staff along with additional modules that can be purchase at a later time. GCR understands the aviation industry and are well versed in what an aviation division such as ours needs. They are the best suited for our needs. GCR is exactly what we been looking for and based on their presentation they can meet our requirements.*

5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:

The Airport Business Manager (ABM) application has been implemented and is currently in use at over thirty (30) airports globally. GCR's ABM software is recognized as the leading airport properties and revenue management application in the airport business. The selection of ABM by a large majority of airports in the past several years serves as the best evidence that ABM is the preferred solution for airport business management software. GCR's experience in developing and implementing Airport Property and Revenue Management Systems (APRMS) dates to 1998. It has 16 years of airport revenue and lease management business process best practices built into the software that no other supplier can provide.

6. Reasons why my department requires these unique features and what benefit will accrue to the county:

Financial: The ABM expense will be recovered through salary savings as it will automatically handle insurance tracking, which at this time would need to have an additional staff member added to the Aviation Division to process.

Operational: Aviation currently uses an Access Database to track properties, leases, and billings beginning in 2003. This system has no support, has many technical glitches, and has a great amount of historical saved data. Loss of this information is a current operational hazard. In addition through an Internal Audit we have found a need to monitor all tenants' auto and aircraft insurance. The current level of Aviation staffing will not be able to manage this task, and this software will automate the insurance tracking process leading to a salary savings.

Customer: The current system does not allow for date ticklers, project management, e-mail communications, auto CPI calculations, or online payments. The current system allows for staff error which has led to a loss of revenue and legal expenses.

Additional benefits of the ABM system include.

- ✓ *Data sharing among airport departments increases with one authoritative revenue database*
- ✓ *Proactive management of contracts and agreements results in increased revenue and billing accuracy*
- ✓ *Improved cash management through more accurate and timely invoicing*
- ✓ *Real-time airport revenue trending and reporting for senior management allows more timely decision making*
- ✓ *Improved compliance through more rigorous accounting and business controls reduces liability*
- ✓ *Ease of implementation of more complex non-aeronautical concession and percentage rental charges*

7. Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:

The Airport Business Manager (ABM) application is priced based on the size of airport. Riverside qualifies for the lowest cost purchase price offered by GCR and the software comes with all of the capabilities and business process improvements as if we were the size of LAX. The ongoing maintenance and support is approximately 15% of the software purchase price which is on the very low end of typical software maintenance costs as a percentage of software purchase price. Industry averages are 18% to 22% for ongoing maintenance making the GCR price extremely reasonable and cost competitive.

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).

There is an Annual Maintenance and Support fee of \$12,000 which begins in FY 15/16 and is subject to annual adjustment.

9. Period of Performance:

GCR plans on a 4 to 6 month implementation timeframe. This starts with the configuration of the software for Riverside's leases and agreements through final acceptance and training.

[Handwritten Signature]

Department Head Signature

Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ 79,425.00

One time

Annual Amount through 6/30/2020

[Handwritten Signature]

Purchase # 15-084

Purchasing Agent

Date

Approval Number

(Reference on Purchasing Documents)

*\$12,000 Annual Renewable
Annual Maint. 15-084A
Through 6-30-2020*



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
To be completed for all departmental purchases of IT systems, services or renewals

PR2014-01648
Tracking Number for
Internal Use Only

7/7

REQUESTED PURCHASE: AIRPORT BUSINESS MANAGER SOFTWARE	
DEPARTMENT/AGENCY: EDA – AVIATION	
CONTACT NAME/PHONE: MARY WILSON, PRINCIPAL ACCOUNTANT - (951)955-6655	
PURCHASE REQUEST: <input checked="" type="checkbox"/> NEW EQUIPMENT/SERVICES <input type="checkbox"/> UPGRADE <input type="checkbox"/> REPLACEMENT	
PURCHASE TYPE: <input type="checkbox"/> PROFESSIONAL SERVICES <input checked="" type="checkbox"/> SOFTWARE <input type="checkbox"/> HARDWARE <input type="checkbox"/> RENEWAL	
DESCRIBE REQUESTED PURCHASE	Airport Business Manager (ABM) Software from GCR Consulting, Inc. is a customized all inclusive airport management solution software. Aviation has inquired of all similar sized County and City airports in California regarding the systems they currently use. Most of these airport systems are not as large as Riverside County, which consists of five airports, and they use manual processes with Excel. Other systems used and researched were Aeroware, an internet based management system that provides the same services we currently have and Binary System, a similar database to the one we currently have, but requiring a separate operating system in addition to purchasing the database program. Only ABM provided a comprehensive aviation based full management system with automated management and communications tools.
BUSINESS NEEDS ADDRESSED	The ABM will help with management of all areas of the Aviation Division including leases, billings, CPI adjustments, aircraft and auto insurance tracking, online payments, gate card access tracking, utility management, grant management, and airport mapping. Benefits of this software will include: reduced billing errors, faster billing cycles, enhanced strategic information, automated contracts and leases, enhanced reporting capabilities, automated staff communications and authorizations, and automated tenant communications.
ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> UNKNOWN
BUSINESS CRITICALITY	BUSINESS IMPACT (SELECT ALL THAT APPLY)
<input checked="" type="checkbox"/> Run the business <input type="checkbox"/> Grow the business <input checked="" type="checkbox"/> Transform the business	<input checked="" type="checkbox"/> Support current operations <input checked="" type="checkbox"/> Reduce Expenses <input checked="" type="checkbox"/> Improve Customer Service <input checked="" type="checkbox"/> Improve Operational Efficiencies
BUSINESS RISKS	<p>Financial: The ABM expense will be recovered through salary savings as it will automatically handle insurance tracking, which at this time would need to have an additional staff member added to the Aviation Division to process.</p> <p>Operational: Aviation currently uses an Access Database to track properties, leases, and billings beginning in 2003. This system has no support, has many technical glitches, and has a great amount of historical saved data. Loss of this information is a current operational hazard.</p> <p>Customer: The current system does not allow for date ticklers, project management,</p>



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for
Internal Use Only

	e-mail communications, auto CPI calculations, or online payments. The current system allows for staff error which has led to a loss of revenue and legal expenses.
ALTERNATIVE SOLUTIONS	1. [Identify if any other Solution] N/A 2. [Solution] 3. [Solution]
TRANSACTION	<input checked="" type="checkbox"/> Cash Purchase <input type="checkbox"/> Lease Purchase Lease Years: _____

ACCOUNTING STRING - Completed by transitioned Departments Only							
Used for pass-thru purchases processed by RCIT							
% Billed	Account (6 digits)	Fund (5 digits)	Dept. ID (6 – 10 digits)	Program (5 digits)	Class (5 digits)	Grant (9 digits)	Customer Project Code (10 digits)
100	546280	22100	1910700000				

PURCHASE COSTS Hardware: \$0 Software: \$35,625.00 Labor: \$43,800.00 Total Cost: \$79,425.00	COST BENEFIT ANALYSIS																
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Other																	

Departmental Fiscal Review (Optional):	Date:
Department Head Signature: (or authorized designee) <i>Isabel Brundell</i>	Date: <i>6/22/14</i>

RCIT RECOMMENDATION – for purchases and renewals under \$100,000	
Recommended: <input type="checkbox"/> Yes <input type="checkbox"/> No (Purchases that are not recommended will be reviewed by TSOC upon request)	
By:	Date:
Chief Information Officer Signature:	Date:

RCIT explanation for purchases that are not recommended:



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
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Ongoing (i.e., maintenance)																	
Other																	

Departmental Fiscal Review (Optional):	Date:
Department Head Signature: (or authorized designee) <i>John Brandt</i>	Date: 6/22/14

RCIT RECOMMENDATION – for purchases and renewals under \$100,000	
Recommended: <input type="checkbox"/> Yes <input type="checkbox"/> No (Purchases that are not recommended will be reviewed by TSOC upon request)	
By: RCIT - APPROVED	Date: 7/10/14
Chief Information Officer Signature:	Date:

RCIT explanation for purchases that are not recommended:



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for
Internal Use Only

TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals

Recommended: Yes No

TSOC Chair Signature:

Date:

GCR Inc
 Implementation of Airport Business Manager (ABM)
 Riverside
 Proposal Price Estimate
 June 16, 2014 v3



	Rate	Hours	Fee	Hours	Total Fee
Phase 1 Required AirportIQ Software Modules (GA Package)					
ABM-GA Core Module	\$11,250				
Agreement Management	\$7,500				
Customer Billing	\$5,625				
Accounts Receivable	\$5,625				
Online Payment Portal	\$5,625				
Total Required Airport IQ Software Modules (GA Package)	\$35,625				\$35,625
Implementation Services - GA Package					
Technical Installation	\$110	24	\$2,640	24	\$2,640
Initial Configuration & Setups	\$165	50	\$8,250	50	\$8,250
Training	\$165	40	\$6,600	40	\$6,600
Data Validation & Security	\$165	24	\$3,960	24	\$3,960
Parallel Testing & FAT	\$165	24	\$3,960	24	\$3,960
Go-Live Transition	\$165	32	\$5,280	32	\$5,280
Implementation Services (GA Package) - Sub-Total		194	\$30,690	194	\$30,690
Base Software & Implementation Services Sub-Total					\$66,315
Work related to Overall Requirements					
Additional Elemental Work					
Project Management & Remote Support	\$165			39	\$6,435
Total Required AirportIQ Software and Implementation Services					\$72,750
Estimated Travel Costs AirportIQ Required Items					
	Trips	Days	Transp	Lodging	Per Diem
Technical Lead	0	0	\$1,000	\$200	\$85
Professional Staff	3	15	\$0	\$0	\$0
			\$3,000	\$2,400	\$1,275
Total Estimated Travel Costs					\$6,675
Total Proposal Estimate Required AirportIQ Items					\$79,425
Annual Maintenance & Support (begins after go-live acceptance) (subject to annual adjustment)					12,000