

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

November 16, 2006

TO: BOARD OF DIRECTORS
THRU: Larry Rubio, Chief Executive Officer
FROM: Rick Kaczerowski, Director of Information Technologies
SUBJECT: Authorization to Issue a Sole Source Purchase Order to Hansen Information Technologies, Inc. for the Purchase and Implementation of Hansen/Spear Mobile Workforce

Summary: The Agency would like to purchase and implement an additional software module for its Spear 3i Application called Mobile Workforce Applications Suite for Materials Management. The module will run on four handheld wireless devices and will enable Materials Management staff to perform their functions from anywhere in our maintenance and storeroom facilities.

The handheld devices will directly interact with the Spear 3i software which is the Agency's standard operating software used to manage its maintenance and materials management functions. The software was purchased and implemented in FY 2001. This purchase is considered a sole source purchase because the existing software applications are proprietary and any additional software modules can only be purchased from Hansen Information Technologies, Inc.

Major features of the software include:

1. Materials Handling:

- Identifying the purchase order being received while getting the latest information about that purchase order
- Entering the quantity received for each item
- Correcting receipts and recording exceptions
- Assigning item bins to stocked items when necessary for putaway
- Putaway of stocked items
- Printing receiving reports and/or putaway reports
- Completing a material receipt as the handheld device updates system information immediately so all stock information is up to date.

- The Physical Inventory Cycle Count application eliminates printed cycle batch sheets and manual data entry to record counts. Using a handheld device, the user is instructed what and where to count and is provided a single place to enter counts, thereby eliminating data entry errors inherent in a manual process.
2. Physical Inventory - Cycle counters can perform all of their transactions using a handheld device including:
- Identifying the Cycle Count Batch assigned by the warehouse manager
 - Receiving the most current information about the items to be counted
 - Entering the count quantity for each item following the warehouse layout
 - Performing recounts, if required.

Hansen Information Technologies, Inc., who recently acquired Spear Technologies, Inc., developers of the Spear 3i software, is the sole provider of the Mobile Workforce Applications Suite for Materials Management module.

Fiscal Impact:

This project will be funded by capital projects CA-90-Y337 (FTA) and FY05 LTF Award (RCTC-LTF) in the amount of \$91,345.00.

Because this project is “sole source” and exceeds the \$25,000 approval limit of RTA’s chief executive officer, the Board of Directors approval is required.

The following is a breakdown of expenditures for the project:

	Expenditure	Unit Price	Extended Price
Hardware (1)	4 Each Symbol MC9090 Hand-Held Computers (3 for the Riverside location and 1 for Hemet) and 2 Access Points (one for Riverside, one for Hemet)	\$3,865	\$15,460
	2 Each Zebra Bar Code Printers (1 for Riverside, 1 for Hemet)	\$575	\$1,150
	Estimated Taxes/Freight	\$1587.28	\$1587.28
	Subtotal		\$18,197.28
Software License	Mobile Workforce Materials Suite License	\$16,000	\$16,000

Hansen Professional Services	Install Mobile Workforce and WiFi Network	\$25,286	\$25,286
Hansen Billable Travel	Billable Travel	\$3,000	\$3,000
Support	One Year Maintenance/Support of Mobile Workforce	\$2,880	\$2,880
Total			\$65,363.28 (2)

(1) Hansen is recommending and will purchase hardware from Symbol and Zebra as part of the project.

(2) Remaining funds from this project of \$25,981.72 will be used toward the purchase of new servers for the Spear software and databases.

Committee Recommendation:

This item was discussed at the Board Budget and Administration and Board Operations Committee meetings of November 1, 2006. The Committees' members unanimously approved and recommended this item to the full Board of Directors for their consideration.

Recommendation:

Authorize staff to issue a sole source purchase order to Hansen Information Technologies, Inc. for the purchase and implementation of a mobile workforce inventory add-on module to the Agency's existing inventory control system at a cost that shall not to exceed \$65,363.28.