



## Board Report

**File #:** 2021-0523, **File Type:** Contract

**Agenda Number:** 21.

### OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE SEPTEMBER 16, 2021

**SUBJECT: CONTRACT NO. PS51796000 - TELEPHONE SYSTEM MAINTENANCE WITH NORSTAN COMMUNICATIONS**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No.1 to Contract No. PS51796000 for telephone system maintenance, service, and repair to Norstan Communications, Inc., dba Black Box Network Services, for telephone system maintenance, service, and repair, to exercise the first, two-year option in an amount of \$1,037,075, increasing the total contract amount from \$1,521,764 to \$2,558,839 and extending the contract term from October 31, 2021, to October 31, 2023.

#### **ISSUE**

The current contract expires on October 31, 2021. To continue services to provide maintenance and repair services for the Metro owned legacy NORTEL Networks (NORTEL) telephone systems and Cisco Network VoIP telephone equipment, a Contract Modification is required to exercise the first, two-year option and extend the contract term to October 31, 2023.

#### **BACKGROUND**

On October 18, 2018, Metro Board of Directors awarded a competitively negotiated procurement to Scottel Voice & Data, Inc., dba Black Box Network Services. Effective April 1, 2019, Metro agreed to the Consent to Assignment to Norstan Communications, Inc. dba Black Box Network Services.

These telephone systems provide telephone service at Metro Headquarters, Central Maintenance Facility (CMF), Bus/Rail operating divisions, Metro Red Line Stations, and other Metro support facilities. NORTEL and Cisco certified engineers and technicians must perform maintenance, service, and repair of the telephones systems. Although Metro technicians perform basic maintenance and repair on the NORTEL telephone system, they are not certified to perform the higher levels of maintenance and repair required for the major components. Also, it is not economical for Metro to maintain the extensive inventory of replacement parts necessary to keep the telephone system operational. Therefore, Metro has historically contracted with a qualified service provider.

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## **DISCUSSION**

Metro operates six major Rail Lines, Bus Operating Divisions, Facilities Maintenance locations, and the Metro Headquarters. The telephone maintenance contract will provide maintenance and installation service to all telephone systems Nortel/Avaya, and Cisco VoIP, and call center equipment.

This maintenance contract will ensure voice network connectivity to maintain an agency wide customer and employee safety environment. In addition, this contract will provide technical and engineering support for future Nortel/Avaya legacy equipment conversion to Cisco VoIP network system. This contract will prepare Metro for a future state of the art communications systems.

## **DETERMINATION OF SAFETY IMPACT**

Approval of this item will ensure the continuity of a telephone maintenance provider, Cisco certified engineers, and technicians will strengthen employees and public safety while ensuring the security and movement of people throughout Metro Transportation network. Metro's telephone communications network is a major support system in providing public safety.

## **FINANCIAL IMPACT**

The annual funding of \$518,537 for this service is included in the FY22 budget in cost center 9220, ITS Operations, under project number 100001, General Overhead, 01.01 Contract Maintenance Services. Since this is a multi-year contract, the Chief Information Technology Officer will be accountable for budgeting the cost in the future years, including any option exercised.

### **Impact to Budget**

This service is funded via Metro's federally approved indirect cost allocation plan and includes sales tax, fares and grant funds. No other sources of funds were considered because this service is used enterprise wide.

## **EQUITY PLATFORM**

Metro is looking to improve telephone communication systems for employees and public safety throughout the Bus and Rail Transportation Network. The goal is to provide real-time communications at all Metro facilities. Additionally, to improve and maintain a more consistent safety experience for our employees and public riders.

Executing the telephone maintenance contract modification will minimize disruption to customer service telephones at Bus and Rail locations. The contractor's enhanced knowledge and capabilities along with 24X7 monitoring systems, will mitigate telephone system delays and/or any disruptions to

riders' communications at the Bus and Rail stations, including during emergencies.

As a result, Metro's transit riders will have an improved experience using public transportation for their commutes and daily activities public ridership enhancing ridership confidence.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended contract modification supports Metro Vision 2028 Strategic Goal 2: Metro will foster and maintain a strong safety culture. The telephone system maintenance contract will improve the ongoing commitment to safety culture as well as to continue to enhance and support programs designed to address workplace safety and security throughout the agency.

### **ALTERNATIVES CONSIDERED**

The alternative to not exercising the option term would be to shift the responsibility for repairing and maintaining the entire telephone system to Metro staff. This would require Metro to train and obtain NORTEL and Cisco certification for existing staff, hire a minimum of two additional NORTEL/Cisco Network Engineers and two additional NORTEL/Cisco trained technicians. Metro would need to maintain an extensive inventory of replacement parts. The expense to bring repair and maintenance of the telephone system in house would exceed the cost to retain a service provider.

### **NEXT STEPS**

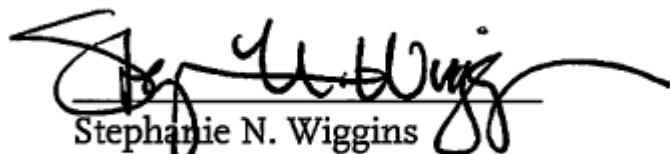
Upon Board approval, staff will execute Modification No.1 to Contract No. PS51796000 with Norstan Communications, Inc., dba Black Box Network Services, to exercise the first, two-year option and extending the contract term from October 31, 2021 to October 31, 2023 for Metro telephone systems maintenance, service and repair.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - Contract Modification/Change Order Log  
Attachment C - DEOD Summary

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Stephanie N. Wiggins  
Chief Executive Officer

## PROCUREMENT SUMMARY

## TELEPHONE SYSTEM MAINTENANCE / PS51796000

1.	<b>Contract Number: PS51796000</b>			
2.	<b>Contractor:</b> Norstan Communications, Inc. dba Black Box Network Services			
3.	<b>Mod. Work Description:</b> Exercise First, Two-Year Option			
4.	<b>Contract Work Description:</b> Provide maintenance, service, and repair of Metro telephone system network.			
5.	<b>The following data is current as of:</b> 7/28/2021			
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>	
	<b>Contract Awarded:</b>	10/18/2018	<b>Contract Award Amount:</b>	\$1,521,764
	<b>Notice to Proceed (NTP):</b>	N/A	<b>Total of Modifications Approved:</b>	\$0.00
	<b>Original Complete Date:</b>	10/31/2021	<b>Pending Modifications (including this action):</b>	\$1,037,075
	<b>Current Est. Complete Date:</b>	10/31/2023	<b>Current Contract Value (with this action):</b>	\$2,558,839
7.	<b>Contract Administrator:</b> Manchi Yi		<b>Telephone Number:</b> (213) 418-3332	
8.	<b>Project Manager:</b> Roger Largaespada		<b>Telephone Number:</b> (213) 922-3490	

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 1 to exercise the first, two-year option in the amount of \$1,037,075, increasing the total contract amount from \$1,521,764 to \$2,558,839 and extending the contract term from October 31, 2021 to October 31, 2023.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

On October 18, 2018, Metro Board of Directors awarded a competitively negotiated Contract No. PS51796000 to Scottel Voice and Data, Inc. dba Black Box Network Services to provide maintenance, service, and repair of Metro telephone system network. Effective April 1, 2019, Metro agreed to the Consent to Assignment to Norstan Communications, Inc. dba Black Box Network Services to provide the services under Contract No. PS51796000.

Refer to Attachment B – Contract Modification/Change Order Log.

**B. Cost/Price Analysis**

The recommended price to exercise the first, two-year option has been determined to be fair and reasonable based upon technical evaluation, fact finding, price analysis, and negotiations.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$1,037,075	\$2,848,650	\$1,037,075

**CONTRACT MODIFICATION/CHANGE ORDER LOG**  
**TELEPHONE SYSTEM MAINTENANCE / PS51796000**

<b>Mod. No.</b>	<b>Description</b>	<b>Status (approved or pending)</b>	<b>Date</b>	<b>\$ Amount</b>
1	Exercise First Option (2 years) and Extend Contract Term	Pending	Pending	\$1,037,075
	<b>Modification Total:</b>			<b>\$1,037,075</b>
	<b>Original Contract:</b>			<b>\$1,521,764</b>
	<b>Total:</b>			<b>\$2,558,839</b>

**DEOD SUMMARY**

**TELEPHONE SYSTEM MAINTENANCE/PS51796000**

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) did not establish a Disadvantaged Business Enterprise (DBE) goal for this procurement due to the lack of subcontracting opportunities and the lack of available DBE certified firms capable of performing the required scope of work. The prime, Scottel Voice & Data, Inc. dba Black Box Network Services did not make a DBE commitment.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.