

Date: October 26, 2016

To: Board of Directors

From: Neil McFarlane 

Subject: RESOLUTION 16-10-67 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH CVE TECHNOLOGIES GROUP, INC. FOR NETWORK AND CCTV ASSESSMENT SERVICES

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute a contract modification with CVE Technologies Group, Inc. (CVE) for network and Closed Circuit Television (CCTV) assessments (Services).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board approval is required for personal services contracts obligating TriMet to pay in excess of \$150,000.

4. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

TriMet is preparing for implementation of eFare and needs to conduct an assessment of its network to ensure that it can handle the additional load and activity without any disruptions. In addition, TriMet received a Department of Homeland Security grant to install additional CCTV cameras at seven transit centers within the next few years. It is critical for TriMet to understand any vulnerabilities and weaknesses of the current networks, which these two projects will operate on, prior to implementation to be able to take the necessary action to resolve any issues identified. Staff in the TriMet Information Technology Division are responsible for the network and there is a contract in place for network hardware, software, and on-call engineering services. However, it was determined that it would be beneficial to contract with an independent, third-party consultant that specializes in these Services.

6. Procurement Process

TriMet utilized a competitive Request for Proposals (RFP) process to select a contractor to be able to consider qualitative factors such as experience, credentials, and a work plan in addition to price. The RFP was advertised for a period of two weeks with a mandatory pre-proposal conference held one week after the issuance. Eight firms attended the mandatory pre-proposal conference.

TriMet received two proposals in response to the RFP. An Evaluation Committee (EC) consisting of staff from TriMet's IT Division was appointed to review the proposals. The EC evaluated the technical proposals based on the criteria set forth in the RFP, including qualifications of the firm, staff and workforce diversity, as well as a work plan. After evaluating the technical proposals, the EC determined that CVE was the only proposer that demonstrated the technical capability to perform the Services in accordance with the requirements of the RFP. Therefore, the EC only opened CVE's price proposal.

After reviewing CVE's price proposal in comparison to the independent cost estimate (ICE), the EC elected to meet with them to clarify their understanding of the scope of work as well as understand some of the assumptions made in formulating their price proposal. Their initial price proposal was \$249,000 compared to the ICE of \$147,000. Following the discussion with CVE, it was decided that the work would be split into two phases. The phased approach would allow CVE to undertake a discovery and information gathering effort under the first phase and develop a more precise work plan and price proposal for the actual assessments. Staff hoped to achieve significant savings as a result of the phased approach as well as to allow CVE to start performing the Services for discovery and information gathering. Staff also believed that there was the possibility that the total cost of the contract would come in under the Board approval threshold for personal services contracts. It was agreed that the Contract would be awarded to complete the first phase of services by end of calendar year 2016 with the understanding that, if their work plan and price proposal for the second phase caused the Contract amount to exceed the Board approval threshold for personal services contracts, the Contract modification would be subject to Board approval.

CVE was asked to submit a Best and Final Offer (BAFO) providing a revised work plan for the first phase only as well as a revised, lump sum price for discovery and information gathering. Their BAFO was received on September 19, 2016, for a lump sum, not-to-exceed amount of \$39,600. The Contract was awarded for the first phase only on September 20, 2016.

CVE has since satisfactorily completed the first phase of work and has proposed a work plan and price proposal for the assessments that has been approved by TriMet's project manager. Their price proposal for the second phase is \$137,700, which, combined with the first phase of \$39,600, represents a total savings of \$71,700 from their initial price proposal.

This Resolution authorizes TriMet to execute a contract modification with CVE for the second phase of work in the amount of \$137,700 for a total contract amount of \$177,300. There are no price adjustments allowed in the Contract and payment will be made in the form of progress payments as the Services are performed and accepted by TriMet's project manager.

7. Diversity

CVE's current workforce is comprised of 23% female and 10% minority employees. There are no subcontracting opportunities as they intend to self-perform all of the Services.

8. Financial/Budget Impact

The amount of the contract will be \$177,300. The Services are included in the Safety and Security budget for FY17.

9. Impact if Not Approved

TriMet could re-procure the contract, however, this option is not recommended because CVE is well qualified to perform the work. In addition, the Services are highly time sensitive and have a large impact on mission critical projects. Not approving this modification will result in costly delays to this work and possible delays in the debut of eFare and the installation of additional CCTV cameras.

RESOLUTION 16-10-67

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH CVE TECHNOLOGIES GROUP, INC. FOR NETWORK AND CCTV ASSESSMENT SERVICES

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification with CVE Technologies Group, Inc. (CVE) for network and CCTV assessment services (Contract); and

WHEREAS, the total amount of the Contract shall exceed \$150,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve personal services contracts obligating TriMet to pay in excess of \$150,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contract in an amount not to exceed \$177,300.

Dated: October 26, 2016

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department