

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	11/12/12	Open	Action	11/05/12

Subject: Authorizing Release of an Invitation to Bid (ITB) for Purchase of Computer Equipment with Restrictive Specifications and Delegating Authority to the General Manager/CEO to Award Contract.

ISSUE

Whether or not to Authorize Release of an Invitation to Bid (ITB) for Purchase of Computer Equipment with Restrictive Specifications for the Connect Card Project and Delegate Authority to the General Manager/CEO to Award Contract.

RECOMMENDED ACTION

- A. Adopt Resolution No. 12-11-_____, Authorizing Release of an Invitation to Bid for Purchase of Computer Equipment with Restrictive Specifications for the Connect Card; and
- B. Adopt Resolution No. 12-11-_____, Delegating Authority to the General Manager/CEO to Award a Contract for the Purchase of Computer Equipment to the Lowest Responsive and Responsible Bidder.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	571,000
Budget Source:	SACOG Subrecipient Agreement	Next FY:	\$	
Funding Source:	State (PTMISEA)	Annualized:	\$	
Cost Cntr/GL Acct(s) or Capital Project #:	WBS#: T014	Total Amount:	\$	571,000
Total Budget:	\$ 571,000			

DISCUSSION

RT is participating in a regional project led and funded by the Sacramento Area Council of Governments (SACOG) called Connect Card, whose purpose is to accomplish the implementation of a regional smart card fare system. The Connect Card system once implemented will involve the issuance of reusable and electronically rechargeable fare media valid on all locally participating transit agency service.

SACOG, RT and the other Connect Card project members have agreed that it is in the best interest of RT and the region that the Connect Card data center equipment and associated computer systems be hosted at RT's existing data center facilities.

Approved:

Presented:

Final 11/6/12

General Manager/CEO

Director of Information Technology

J:\Board Meeting Documents\2012\November 12, 2012\Issue Paper for BackOffice Equipment rev.4.doc

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In order to implement the Connect Card system, significant upgrades to RT's data center equipment, servers, and storage systems will be necessary. SACOG has agreed to provide all the necessary funding for the equipment purchases and upgrades via subrecipient agreement with RT. A separate request has been submitted to the Board requesting delegation of authority to the General Manager/CEO for execution of the subrecipient agreement with SACOG.

The equipment listed within the ITB has been determined to be restrictive in its specification as per the Federal Transit Administration (FTA) Circular 4220.1F due to the required manufacturer specification and lack of an "approved equal" provision. FTA guidelines provide for this type of restrictive specification when the agency believes considerations such as equipment standardization, compatibility with existing systems, maintainability, and other factors require the procurement of items manufactured by the same manufacturer of existing systems in use within the agency.

RT has invested heavily over the past 10 years and has standardized computer and networking equipment, management systems, and software manufactured by Hewlett-Packard, Inc. (HP). Staff believes introduction of equipment from other manufacturers into RT's data center and networking environment would create parallel monitoring and management systems and be too costly and difficult to effectively manage and maintain, and to not be in the best interest of the District.

While the ITB is restrictive relative to the specification of a single manufacturer, this solicitation will be competitive in that there are a very large number of HP equipment resellers that are eligible to submit bids.

Staff recommends that the Board authorize the release of a solicitation of bids for the purchase of computer equipment for the Connect Card project.

Staff is also requesting that the Board delegate authority to the General Manager/CEO to award a contract for purchase for the above solicitation after receipt of bids to the lowest responsive and responsible bidder. Significant price incentives totaling approximately \$50,000 have been offered by HP if a contract for purchase is awarded before December 31, 2012. Due to the late availability of the subrecipient agreement from SACOG, and the time necessary to advertise and accept bids, a presentation to the Board requesting contract award is not possible by the end of the calendar year.

Staff recommends that the Board delegate authority to the General Manager/CEO to award a contract for the purchase of Connect Card computer equipment upon execution of a funding agreement with SACOG in order to take advantage of the manufacturer offered discounts.

RESOLUTION NO. 12-11-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

November 12, 2012

**AUTHORIZING RELEASE OF AN INVITATION TO BID FOR PURCHASE OF
COMPUTER EQUIPMENT WITH RESTRICTIVE SPECIFICATIONS FOR THE
CONNECT CARD PROJECT**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Invitation to Bid (ITB) for Purchase of Computer Equipment with
Restrictive Specifications for the Connect Card is hereby approved and authorized for
release.

THAT, the Invitation to Bid (ITB) be advertised pursuant to the provisions of the RT
Procurement Ordinance.

BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 12-11-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

November 12, 2012

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AWARD A
CONTRACT FOR THE PURCHASE OF COMPUTER EQUIPMENT TO THE LOWEST
RESPONSIVE AND RESPONSIBLE BIDDER**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby delegates authority to the General Manager/CEO to award and execute a contract for purchase of computer equipment for implementation of the Connect Card program to the lowest responsive and responsible bidder upon execution of a funding agreement with the Sacramento Area Council of Governments.

BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary