



STAFF REPORT

DATE: March 22, 2021

TO: Sacramento Regional Transit Board of Directors

FROM: Shelly Valenton, VP, Integrated Services and Strategic Initiatives/Chief of Staff

SUBJ: RATIFYING CONTRACT FOR CELLULAR SERVICES UNDER NASPO VALUEPOINT 1907 AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO BIND SACRT TO CONTRACTS FOR CELLULAR VOICE AND DATA SERVICES WITH CELLCO PARTNERSHIP DBA VERIZON WIRELESS UNDER A STATE OF CALIFORNIA MASTER AGREEMENT

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approving the recommended action will allow SacRT to continue to take advantage of discount pricing provided by Cellco Partnership doing business as Verizon Wireless ("Verizon") under a state purchasing schedule.

FISCAL IMPACT

The fiscal impact is dependent on the services purchased although some level of savings is expected due to government discounts for hardware and services. The annualized cost estimate for cellular telecommunication services (wireless and data lines includes wireless phones, routers on light rail trains and bus vehicles) and products for SacRT is estimated to be \$600,000 per fiscal year, which is included in the approved budget for the Information Technology Department.

DISCUSSION

On June 8, 2009, the SacRT Board delegated authority to the General Manager/CEO to bind SacRT to an agreement with Verizon Wireless to purchase wireless services and products under a Master Agreement between Verizon and the State of California for a 10-year period.

At some point, prior SacRT Staff moved the purchase of Verizon products and services from the Board-approved State of California Master Agreement to an alternative purchasing schedule (NASPO ValuePoint 1907) led by the State of Nevada that offered comparable savings. The current NASPO ValuePoint Agreement terminates March 31, 2021. Because the NASPO agreement was not within the scope of the Board's 2009 delegation of authority, that action should have been approved by the Board when the

switch was made. Staff is now requesting that the Board ratify the prior Staff action to contract and pay for products and services with Verizon under that agreement and to approve a new delegation of authority to the General Manager to allow the continued purchase of cellular products and services from Verizon.

Verizon provides wireless communications services and products, which are integral in maintaining continuity of SacRT operations and services. It is important for SacRT to continue to obtain Verizon services to maintain business operations, including supporting transit operations for both bus and light rail vehicles, which have devices installed on-board vehicles using Verizon cell services that include Global Positioning Systems (GPS), fare collection, video, and Automatic Passenger Counters (APC) through a wireless router that is currently configured for Verizon services. To re-configure on-board equipment at this point to use another cellular services provider would take a considerable amount of planning and time to reconfigure, test and implement with resources that SacRT does not presently have available.

Currently, the State contract CALNET-TA-20-04 Wireless Voice and Data services between the State and Cellco Partnership dba Verizon Wireless is the most cost-effective means for SacRT to obtain wireless services and equipment. Section 1.407 of the SacRT Procurement Ordinance (18-08-01) permits the use of cooperative purchase agreements for supplies and services through the contract of another public entity if the bidding procedures followed by the public entity satisfy the bidding requirements set out in the Procurement Ordinance and the contract does not violate any applicable federal or state requirements applicable to SacRT. The CALNET contract was competitively-solicited by the California Department of Technology and multiple awards were made to qualified cellular providers, including Verizon. The contract was awarded in May 2019 for an initial 4-year period with two 2-year options to extend. After SacRT executes an Authorization to Order, SacRT will be able to issue individual purchase requests for any service covered by the Verizon service catalog or negotiate a Customized Service Plan.

SacRT's need for wireless services changes over time, and because the state may enter into a new agreement with Verizon when the current agreement expires, Staff is recommending that the Board delegate authority to the General Manager/CEO to bind SacRT to agreements to purchase wireless services and products under any state contract with Verizon for a six-year period. The delegation of authority will be contingent upon a finding by the General Manager/CEO that the contract was awarded through competitive bidding and that all applicable federal and state requirements are met.

RESOLUTION NO. 21-03-0020

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

March 22, 2021

**RATIFYING CONTRACT FOR CELLULAR SERVICES UNDER NASPO
VALUEPOINT 1907**

WHEREAS, under Section 1.105.B of the Procurement Ordinance, the Board of Directors has the authority to ratify an unauthorized procurement under specified circumstances.

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

THAT, the actions of the General Manager/CEO and SacRT Staff in contracting to purchase cellular products and services from Verizon Wireless under the NASPO ValuePoint Master Contract 1907 are hereby ratified because supplies or services have been provided to and accepted by SacRT, the resulting contract would otherwise have been proper if approved by the Board of Directors; the price was fair and reasonable, and sufficient funds are available.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 21-03-0021

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

March 22, 2021

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO BIND SACRT TO CONTRACTS FOR CELLULAR VOICE AND DATA SERVICES WITH CELLCO PARTNERSHIP DBA VERIZON WIRELESS UNDER A STATE OF CALIFORNIA MASTER AGREEMENT

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

THAT, contingent upon satisfaction of the condition set forth below, the General Manager/CEO is hereby authorized to bind Sacramento Regional Transit District to a contract or contracts with Cellco Partnership dba Verizon Wireless ("Verizon Wireless"), whereby Verizon Wireless agrees to provide, and SacRT agrees to purchase, cellular products and services in accordance with the terms and conditions, and for the prices, set forth in a master contract with the State of California

THAT, prior to entering into any contract with Verizon Wireless, the General Manager/CEO must determine that the master contract with the State of California through which the products and services will be purchased was awarded through competitive bidding and that all applicable federal and state requirements are met.

THAT, this delegation of authority will expire May 31, 2027.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary