

STAFF REPORT

DATE: June 13, 2022

TO: Sacramento Regional Transit Board of Directors

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

SUBJ: APPROVING A SOLE SOURCE PROCUREMENT AND
STATEMENT OF WORK NO. 3 TO THE MASTER SERVICES
AGREEMENT WITH ENTERPRISE NETWORKING SOLUTIONS,
INC.

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approving the recommended action will authorize continued network hosting services from Enterprise Networking Solutions (ENS), Inc. and authorize continued payments of service costs for critical hardware hosting services for all hardware hosted at the colocation data center.

FISCAL IMPACT

Total consideration in the amount of \$115,584 or \$57,792 annually for two years, is budgeted in the IT operations budget.

DISCUSSION

SacRT requires a contract with a third-party provider to lease computer equipment rack space and cloud hosting in a secure data center to back up IT's computer servers. These essential back-up services are referred to as "colocation services." "Colocation" is the practice of renting space for servers and other computing hardware at a third-party provider's data center facility. Typically, colocation services include the building in which everything is housed, as well as networking, physical security, redundant power, and redundant cooling components, which then support the servers and storage provided by the customer.

In 2013, SacRT entered into a Colocation Services Agreement with TSE-N Metro North America Inc dba Cloudview24. The agreement was later assigned to AxisFlow. (ENS) acquired the business entity assets of AxisFlow and SacRT was provided a formal notice of the acquisition on November 1, 2019.

In March 2020, SacRT entered into a Master Services Agreement with ENS. In April 2020, a sole source justification and ratification were processed to allow SacRT to compensate ENS for services provided from the time of the acquisition through the end of December 2020, with the intent of conducting a competitive procurement for a replacement service provider (at a total cost of approximately \$69,095.65). In January 2021, a new sole source justification was processed and the General Manager/CEO approved ENS Statement of Work (SOW) 02 to provide services from January 1, 2021 through June 30, 2022. The monthly recurring cost of the services was \$4,431.13 for a total of \$79,760.34 over the 18-month term. The expectation at the time of the last extension was that a new full and open competitive solicitation would be completed for colocation services beyond June 30, 2022.

Due to a number of high-priority Information Technology (IT) procurements and various COVID-related procurements, a new procurement has not yet commenced. In addition, based on new technology demands in the coming year, IT may be making some changes that might impact the scope of work for the future solicitation.

ENS SOW 03 will provide services from July 1, 2022 through June 30, 2024. The monthly recurring cost of these services is \$4,816 for a total of \$115,584 over the 24-month term, which includes \$5,400 for the addition of a redundant single phase power circuit. Excluding the new circuit, the pricing for the extension has increased by 5% which is attributable to normal cost of service increases, including increases in the cost of electricity.

RESOLUTION NO. 2022-06-071

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

June 13, 2022

APPROVING A SOLE SOURCE PROCUREMENT AND STATEMENT OF WORK NO. 3 TO THE MASTER SERVICES AGREEMENT WITH ENTERPRISE NETWORKING SOLUTIONS, INC.

WHEREAS, since 2013, SacRT has contracted with Enterprise Networking Solutions, Inc. and its predecessors in interest for colocation services to host computing hardware at their data center facility to provide redundant networking, power, and physical infrastructure security services; and

WHEREAS, these services have been continued by the General Manager/CEO on a sole source basis; and

WHEREAS, the current contract will expire June 30, 2022; and

WHEREAS, there is insufficient time to conduct a full and open procurement for an alternative service provider; and

WHEREAS, under Section 1.405.B.2 the Procurement Ordinance (21-10-01), a sole source procurement for non-federally funded services is permitted upon a determination that it is in the best interest of SacRT to solicit only one consultant.

NOW, therefore, be it hereby resolved by the Board of Directors of the Sacramento Regional Transit District as follows:

THAT, due to insufficient time to conduct a full and open competition, it is in the best interest of SacRT to continue colocation services with Enterprise Networking Solutions, Inc. for an additional 24 months.

THAT, Statement of Work: 03 to the Master Services Agreement between the Sacramento Regional Transit District (therein "SACRT") and Enterprise Networking Services, Inc. (therein "ENS-Inc") whereby ENS-Inc agrees to provide colocation services for the period from July 1, 2022 to June 30, 2024, for an amount not to exceed \$115,584 is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute the foregoing Statement of Work.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary