

STAFF REPORT

DATE: January 23, 2023
TO: Sacramento Regional Transit Board of Directors
FROM: Shelly Valenton, Deputy General Manager/CEO
SUBJ: DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE AND EXECUTE INFORMATION TECHNOLOGY PROCUREMENT CONTRACTS OVER \$150,000 FOR THE CONNECT CARD FIREWALL AND WI-FI REPLACEMENT AND IMPROVEMENTS PROJECT

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

The proposed Resolution will allow the General Manager/CEO to enter into contracts over \$150,000 to purchase information technology goods and services to the extent necessary and as needed for the Connect Card Firewall and Wi-Fi Replacement and Improvements Project.

FISCAL IMPACT

The fiscal impact is dependent on the products and services purchased, although some level of savings is expected due to government discounts for hardware, software, and services. The independent cost estimate for network infrastructure products, licensing, and professional services to complete the Connect Card Firewall and Wi-Fi Replacement and Improvements Project is approximately \$821,979.

Staff anticipates that the Connect Card Firewall and Wi-Fi Replacement and Improvements Project will be funded by the Sacramento Area Council of Governments (SACOG), on a reimbursable basis, through a subrecipient agreement. If that funding expires prior to completion of the project, the contracts authorized under this delegation would need to be funded from an alternative source.

DISCUSSION

SacRT is currently in the process of formally taking over all aspects of managing the Connect Card Project from SACOG. As part of that process, the Connect Card Firewall and Wi-Fi Replacement and Improvements Project will be funded by SACOG on a reimbursable basis through a subrecipient agreement.

SACOG has been awarded Proposition 1B - Public Transportation, Modernization, Improvement and Service Enhancement Account (“PTMISEA”) funds administered through the California Department of Transportation (“Caltrans”), to implement capital transit projects and has proposed to provide those funds to SacRT through a subrecipient agreement for this project.

This project will replace Connect Card firewalls as needed based on its lifespan. Firewalls are the first line of defense against cyberattacks and are a core component in all cybersecurity programs. Their use is fundamental in protecting organizations against threats. In many instances, firewalls are required for compliance to mandates like the Payment Card Industry Data Security Standard (PCI DSS). In addition, this project will also replace Wi-Fi and communications equipment to further enhance the protection of the Connect Card network.

The subrecipient agreement has been finalized and is in the process of being signed by SacRT and SACOG. The SACOG funding expires June 30, 2023 leaving SacRT with a short timeframe within which to complete the project. Only products received and services delivered and invoiced by June 30, 2023, are eligible for reimbursement. However, the subrecipient agreement does not require completion of the project by June 30, 2023 and any portion of the work completed by June 30th will be eligible for reimbursement. All work and equipment that remains outstanding on June 30th will have to be completed using a different funding source.

Due to the short five-month time frame and world-wide supply chain shortages, waiting to seek Board approval to execute information technology product and service-related procurement contracts after the subrecipient agreement is executed could delay the project, decrease SacRT’s ability to complete project tasks, and ultimately reduce the reimbursement available to SacRT from SACOG.

In the event that not all products and services have been completed by the June 30, 2023, deadline, an alternate funding source within the Connect Card capital budget will be used to complete any outstanding items.

RESOLUTION NO. 2023-01-009

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

January 23, 2023

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE AND EXECUTE INFORMATION TECHNOLOGY PROCUREMENT CONTRACTS OVER \$150,000 FOR THE CONNECT CARD FIREWALL AND WI-FI REPLACEMENT AND IMPROVEMENTS PROJECT

WHEREAS, SACOG has been awarded Proposition 1B - Public Transportation, Modernization, Improvement and Service Enhancement Account (“PTMISEA”) funds administered through the California Department of Transportation (“Caltrans”), to implement capital transit projects; and

WHEREAS, SacRT and SACOG are in the process of entering into a subrecipient agreement to provide SacRT with funding, on a reimbursable basis, for the Connect Card Firewall & Wi-Fi Replacement and Improvements Project (“Project”) and

WHEREAS, due to the pending grant expiration dates and supply chain shortages, it is critical to move quickly with the procurements needed to complete the Project.

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

THAT, authority is hereby delegated to the General Manager/CEO to approve Procurement contracts that would otherwise be in excess of his monetary authority, as set forth in the Procurement Ordinance (2022-12-001), up to a maximum aggregate total of \$821,979, for information technology-related Procurement actions as reasonable and necessary for the Connect Card Firewall and Wi-Fi Replacement and Improvements Project.

THAT, any contract entered into pursuant to this delegation of authority must be otherwise consistent with the requirements of the Procurement Ordinance.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary