

MOTION NO. M2017-98

Contract Amendment for Technology Software, Hardware, and Related Maintenance Services

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	07/06/2017	Final Action	Brian McCartan, Executive Director of Finance and Information Technology Jason Weiss, Chief Information Officer

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Insight Public Sector, Inc. to provide technology software, hardware, peripherals, and related maintenance services in the amount of \$3,303,000 for a new total authorized contract amount not to exceed \$3,501,180.

KEY FEATURES SUMMARY

- Sound Transit currently has a “piggyback” contract based on the US Communities Master Contract with Insight Public Sector, Inc. (Insight) for a variety of items and services offered in the technology catalog including, but not limited to:
 - The replacement of aging small hardware and peripherals (such as keyboards and mice);
 - The purchase of new software, hardware and peripherals for approved agency projects for Sound Transit FTEs and consulting staff; and
 - Maintenance renewals for software licenses.
- The contract has been executed through April 2019 and has four additional one-year options available.
- The contract was initially entered into under the CEO’s authority to evaluate pricing and vendor performance. Insight is providing value to Sound Transit through product selection and pricing, so the decision was made to add funds to allow Sound Transit to continue purchasing from this vendor.
- The funds requested will fund the contract through April 2021, (at least two of the four one-year options), dependent on staff growth and demand on the contract.
- Using the US Communities competitively procured contract allows Sound Transit to take advantage of a significant discount afforded by this cooperative procurement mechanism.

BACKGROUND

In August 2016, Sound Transit executed a contract under the US Communities Master Contract with Insight Public Sector, Inc. (Insight). The original contract was executed under the CEO’s authority in the amount of \$198,180 on August 22, 2016.

Insight’s competitive pricing has allowed Sound Transit to purchase small peripherals, software maintenance, and new software licenses to meet the agency’s needs and maximize the agency’s overall budget for these purchases. The US Communities contract allows Sound Transit to take advantage of a significant discount afforded by this cooperative procurement mechanism.

PROCUREMENT INFORMATION

This is a “piggyback” on a US Communities Master Contract. US Communities’ lead agency of Fairfax County, VA conducted a competitive solicitation process through a Request for Proposals published on August 12, 2015, and awarded to Insight on May 1, 2016, for a three-year initial term

with four, one-year options to extend. The current contract expires in April 2019. This contract has rigorous supplier commitments to ensure supplier partners offer their best supplier government pricing which allows Sound Transit to negotiate even greater discounts than stated contract minimums.

FISCAL INFORMATION

This action is within the adopted budget and sufficient monies remain after approval of this action to fund remaining computer hardware and software purchases and software as a service.

This action executes a contract amendment with Insight Public Sector, Inc. (Insight), for \$3,303,000 to purchase equipment, software, and related maintenance services. This contract includes funding from both capital and operating budgets. The Information Technology (IT) Program will fund \$1,273,000 and \$2,030,000 will be funded from the Finance & Information Technology (FIT) department budget, for a total authorized amount not exceeding \$3,501,180.

The IT Program budget is \$32,235,351. Within that amount, \$29,313,032 has been allocated to the administrative capital phase. The proposed action would commit \$1,273,000 and leave a remaining budget balance of \$15,641,325.

The proposed action will be funded from the services and materials and supplies categories within the FIT department's annual operating budget. The materials and supplies category budget is \$1,582,409, of which a total of \$150,000 is estimated to be spent under this contract in 2017. The services category budget is \$17,281,090, of which a total of \$30,000 is estimated to be spent under this contract in 2017. Future year expenses will be included in subsequent annual budgets submitted to the Board for adoption.

Insight Public Sector, Inc
(in thousands)

	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amounts - Information Technology Program	\$76	\$76	\$1,273	\$1,349
Contract Amounts -Finance and Information Technology Department	\$122	\$122	\$2,030	\$2,152
Contingency Amount	-	-	-	-
Total Contract	\$198	\$198	\$3,303	\$3,501
Percent Contingency	0%	0%	0%	0%

Information Technology Program

Project Phase	Project Allocation to Date or Baseline Budget	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Operation+Maintenance	\$500	\$244		\$244	\$256
Admin Capital	29,313	12,399	1,273	13,672	15,641
Agency Administration	1,357	950		950	407
Preliminary Engineering	1,065	216		216	849
Total Current Budget	\$32,235	\$13,809	\$1,273	\$15,082	\$17,153

Notes:

Amounts are expressed in year of expenditure.

Board Approvals = Committed To-Date + Contingency as of April 30, 2017 and includes pending Board actions.

For detailed project information, see page 128 in the Adopted 2017 Transit Improvement Plan.

**Finance and Information Technology
Department**

Cost Category	2017 Annual Operating Budget	Actuals to Date	Current Action Forecast 2017 Spending	Actuals to Date Plus Action	Remaining Annual Operating Budget
Salaries and Benefits	\$20,981	\$5,568	\$	\$5,568	\$15,413
Services	17,281	4,103	30	4,133	13,148
Materials and Supplies	1,582	424	150	574	1,008
Utilities	953	311		311	642
Insurance	7,482	1,620		1,620	5,862
Miscellaneous	509	273		273	236
Leases and Rentals	415	116		116	299
Total Annual Operating Budget	\$49,203	\$12,415	\$180	\$12,595	\$36,608

Insight Public Sector, Inc	Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total
Finance and Information Technology Department	101	180	1,871	2,152
Total Contract Spending	\$101	\$180	\$1,871	\$2,152

Notes:

Actuals to date are thru April 30, 2017.

Budget for this item is located on page 29 of the Adopted 2017 Budget.

SMALL BUSINESS/DBE PARTICIPATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Because this contract “piggybacks” onto the US Communities contract with Insight, goals for participation were not established by Sound Transit.

PUBLIC INVOLVEMENT

Not applicable to this action

TIME CONSTRAINTS

A one-month delay would impact support services from the vendor.

ENVIRONMENTAL REVIEW

KH 6/23/17

LEGAL REVIEW

AJP 6/30/17

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A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Insight Public Sector, Inc. to provide technology software, hardware, peripherals, and related maintenance services in the amount of \$3,303,000 for a new total authorized contract amount not to exceed \$3,501,180.

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The funds requested will fund the contract through April 2021, (at least two of the four one-year options), dependent on staff growth and demand on the contract.


MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Insight Public Sector, Inc. to provide technology software, hardware, peripherals, and related maintenance services in the amount of \$3,303,000 for a new total authorized contract amount not to exceed \$3,501,180.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 6, 2017.


Paul Roberts
Operations and Administration Committee Chair

ATTEST:


Kathryn Flores
Board Administrator