

**Board Report**

File #: 2019-0065, **File Type:** Contract**Agenda Number:** 19.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
MARCH 21, 2019****SUBJECT: WIRELESS ROUTERS****ACTION: AWARD CONTRACT****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a two-year, Indefinite Delivery, Indefinite Quantity Contract No. MA58692 to LA Mobile Computing for purchase of wireless mobile routers. The Contract has a first-year amount of \$1,314,197, inclusive of sales tax, and a second-year amount of \$929,754, inclusive of sales tax, for a total contract value of \$2,243,950.65, subject to resolution of protest(s), if any.

ISSUE

This contract is for the acquisition of wireless mobile routers which are a foundational element needed to enhance the customer service experience on the bus fleet. The installation of wireless routers on Metro's fleet has already begun with 1398 of 2348 vehicles completed as of February 2019. The contracted service bus fleet has been fully installed. Additionally, all new bus fleet vehicles include the required specifications to arrive pre-installed with the wireless router kits. The recommended contract award will provide the capability to purchase the wireless routers through Metro's inventory process. This process allows Metro to install the wireless routers on the existing fleet by internal staff that can pull the hardware from inventory and replace/reorder as needed instead of all at once under the contract terms as the installations are completed. The fixed unit price reduces price variation and allows for a faster hardware delivery rate, expediting router installations with the goal of completing the bus fleet installations in early 2020 (about 45 weeks at a rate of 16/week, plus or minus). The award of this contract will allow Metro to develop new fleet functionality with the intention of improving customer service and ridership quality.

BACKGROUND

In March 2017, the Metro Board approved the Connected Bus capital project (CP 207152) and subsequent \$7.8M life-of-project budget to support the implementation of cellular and Wi-Fi technologies on Metro's bus fleet. Now economically feasible, this has advanced the ability to connect transit buses to the Internet. Connecting Metro buses through the public cellular network creates many opportunities. The riding public benefits from internet access to online information while on the bus. Metro Operations can remotely connect to onboard systems, allowing for remote video on

-demand of security cameras by law enforcement and bus/rail operations as well as improved access to vehicle diagnostic systems for increased maintenance efficiency through continuous fleet health monitoring. This technology will also provide improved vehicle location information, advancing the prediction accuracy of next bus arrival times and providing an additional measure of safety and security for both passengers and Metro fleet operators.

DISCUSSION

The contract to be awarded is a “requirements type” agreement in which Metro commits to order only from the awardee, up to 482 units in year 1 and 341 units in year 2 (38 units minimum per year), but there is no obligation or commitment for Metro to order all the wireless routers that may be currently anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required. The Diversity and Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise (SBE) goal since this procurement was a performed under a Set-Aside. The proposed contractor is an approved SBE contractor.

DETERMINATION OF SAFETY IMPACT

Award of the contract will ensure that all operating divisions and the Central Maintenance Facility (CMF) have an adequate inventory to maintain the equipment according to Metro Maintenance standards.

FINANCIAL IMPACT

The funding of \$1,480,000 for these wireless mobile routers is included in the FY19 budget under account 53102, Acquisition of Equipment, in cost center 9230 in project 207152, Connected Buses.

Since this is a multi-year contract, the cost center manager and Chief Information and Technology Officer will be accountable for budgeting the cost in future fiscal years including any option exercised.

Impact to Budget

The current source of funds for this action is Transportation Development Act, Article 4 (TDA). Use of this funding source currently maximizes current funding allocation within approved funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended contract award supports Metro Vision 2028 Strategic Goal 2: Deliver outstanding trip experiences for all users of the transportation system. The mobile routers will ensure that Metro’s focus on improving the customer experience is realized with notable tools that will enhance safety,

security, customer service and Metro's daily operation.

ALTERNATIVES CONSIDERED

The alternative is to not award the contract and procure mobile routers on the open market on an as-needed basis. This approach is not recommended since it does not provide a commitment from the supplier to ensure availability and price stability.

NEXT STEPS

Metro's requirements for wireless mobile routers will be fulfilled under the provisions of the contract. A separate but complementary life-of-project will be included in the FY20 Capital Program request so that wireless mobile routers will be extended to the Rail Fleet as well.

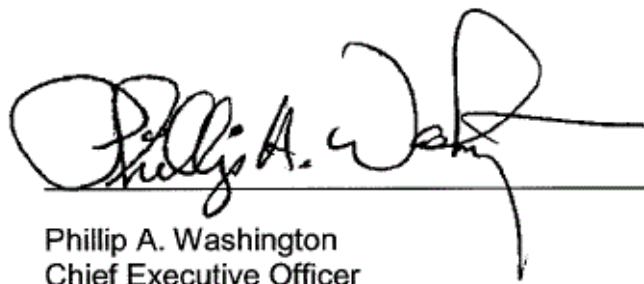
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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