



Motion No. M2023-10

Contract Modification with SHI International Corp for Technology Software, Hardware, and Related Maintenance Services

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience & Operations Committee	02/02/2023	Final action	Jason Weiss, Chief Information Officer Joe Flores, IT Manager, Business Services

Proposed action

Authorizes the chief executive officer to execute a contract modification with SHI International Corp. to exercise two one-year options to extend the contract to provide technology software, hardware, and related maintenance services in the amount of \$2,000,000 for a new total authorized contract amount not to exceed \$3,800,000, plus applicable taxes.

Key Features Summary

- Sound Transit currently has a “piggyback” contract based on the National Intergovernmental Purchasing Alliance (National IPA) Master Contract with SHI International Corp. (SHI) for a variety of items and services offered in the technology catalog including:
 - The replacement of aging hardware and peripherals;
 - The purchase of new software, hardware and peripherals for approved agency projects for Sound Transit employees and consulting staff; and
 - Maintenance renewals for software licenses
- The “piggyback” contract is based on National IPA Master Contract 2018011-02, that was executed by and between the City of Mesa, Arizona and SHI International Corp. (“Mesa-SHI”), on March 1, 2018 for a five year term with two one year options to renew.
- Using the “piggyback” contract that was competitively procured by National IPA allows Sound Transit to take advantage of a significant discount.
- The amount requested is expected to fund the contract through February 2025.
- Applicable taxes for this modification are currently estimated to be \$205,000; applicable taxes for the total contract are estimated to be \$377,900.

Background

In August 2018, Sound Transit executed a contract under the National IPA Master Contract with SHI International Corp. The original contract was approved by the former Operations and Administration Committee (now Rider Experience and Operations Committee) in the amount of \$1,000,000 plus applicable taxes in August 2018 through Motion No. M2018-95. In November 2021, the contract was amended under the CEO’s authority according to the Board’s Procurement, Agreements and Delegated Authority Policy effective January 1, 2019 to add additional funds in the amount of \$800,000 plus applicable taxes.

SHI International Corp'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 National IPA Master contract allows Sound Transit to take advantage of a significant discount afforded by this cooperative procurement mechanism.

Procurement information

The Master Contract, Contract No. 2018011-02, was competitively procured by the City of Mesa, AZ. The original solicitation was publicly advertised in 16 media outlets. 11 firms responded to the original solicitation and were evaluated based on the following criteria:

1. Firm's Proposed Solution (500 points),
2. Firm's Qualifications and Experience (300 points), and
3. Firm's Proposed Pricing (200 points).

SHI received the highest score among all offerors and was determined to offer the best value - price and other factors considered - to the principal procurement agency.

Fiscal information

The equipment, materials and supplies described in this proposed action will be assigned on a task order basis. The task orders will be funded out of existing, Board approved capital projects and the Information Technology department budgets. Since the services will be rendered on an as-needed basis, the distribution of the costs will be determined as each task order is executed. This action does not affect affordability of the long-range financial plan projection.

Disadvantaged and small business participation

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Small business and DBE goals are based upon an examination of subcontracting opportunities contained in the work associated with the contract/agreement and the number of small businesses/DBEs available to perform such subcontracting work.

These services are being procured via a Piggyback contract, the National IPA Master Contract with SHI International Corp. (SHI), so analyses for determining small business/DBE goals were not undertaken; as such, small business/DBE goals were not established by Sound Transit for this procurement.

Time constraints

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

Prior Board/Committee actions

Motion No. M2018-95: Authorized the chief executive officer to execute a contract through February 2023 with two one-year options to extend with SHI International Corp. to provide technology software, hardware, and related maintenance services in the amount of \$1,000,000 plus applicable taxes.

Environmental review – KH 1/23/23

Legal review – DLM 1/26/2023



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A motion of the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract modification with SHI International Corp. to exercise two one-year options to extend the contract to provide technology software, hardware, and related maintenance services in the amount of \$2,000,000 for a new total authorized contract amount not to exceed \$3,800,000, plus applicable taxes.

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Motion

It is hereby moved by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract modification with SHI International Corp. to exercise two one-year options to extend the contract to provide technology software, hardware, and related maintenance services in the amount of \$2,000,000 for a new total authorized contract amount not to exceed \$3,800,000, plus applicable taxes.

APPROVED by the Rider Experience and Operations Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Kristina Walker
Rider Experience and Operations Chair

Attest:

Kathryn Flores
Board Administrator