



BOARD MEETING
August 15, 2002

Los Angeles County
 Metropolitan
 Transportation
 Authority

One Gateway Plaza
 Los Angeles, CA
 90012

213.922.6000

SUBJECT: DIVISION NETWORK CONSTRUCTION PROJECT

CONTRACT: C062, DIVISION NETWORK CONSTRUCTION PROJECT, NETWORK INFRASTRUCTURES CORPORATION

ACTION: SOUTH BAY SERVICE SECTOR CONTRACT MODIFICATION IN THE AMOUNT OF \$155,342

RECOMMENDATION

Authorize the Chief Executive Officer to execute Change Order No. 6.00 to Contract No. C0652, Division Network Construction Project, with Network Infrastructures Corporation for additional work at South Bay Service Sector, Division 18, in the amount of \$155,342 increasing the total contract value from \$2,060,198 to \$2,215,540.

RATIONALE

To improve service to each Service Sector, Facilities Maintenance is assigning some of its staff to the sectors. Each sector will have its own facilities maintenance shop and crew. For the South Bay, the Facilities Maintenance shop will be located in an existing building at Division 18. To meet the telecommunications requirements to support Facilities Maintenance, the building infrastructure needs to be upgraded to the latest wiring standards and linked to the enterprise network as part of the building improvements.

BACKGROUND

During the planning phase of the Division Network Construction Project (DNCP), there was no requirement for a Facilities Maintenance Shop at Division 18. With the implementation of Service Sectors, the need for a South Bay Facilities Maintenance shop to be operational by the start of fiscal year 2003 was identified. Since the Contractor was already on site and ninety-five percent complete with the awarded DNCP scope of work for Division 18, staff issued a Limited Notice To Proceed in the amount of \$100,000 to allow the Contractor to begin the additional work to minimize time delays and to contain costs.

FINANCIAL IMPACT

Funding of \$155,342 for construction services is included in the FY03 budget in cost center 9230- Information Technology Services, under project 200020, Capital Projects, Account 50316- Professional and Technical Services.

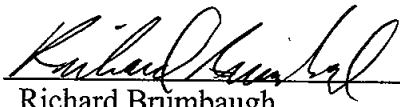
ALTERNATIVE CONSIDERED

The MTA Board may reject this action; however, it will preclude the ability to provide tele-communications connectivity to the Facilities Maintenance personnel at the South Bay Sector. The inability to connect to the MTA's enterprise network will drastically reduce the productivity of the Facilities Maintenance personnel, as they will not be able to conduct day-to-day business such as accessing work orders and entering time sheets.

ATTACHMENT

- A Procurement Summary
- A-1 Procurement History
- A-2 List of Subcontractors

Prepared by: Elizabeth Bennett, Chief Information Officer
Frank Foster, Contract Administrator, Procurement



Richard Brumbaugh
Chief Financial Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
 PROCUREMENT SUMMARY
 CONTRACT NO. C0652
 DIVISION 18 SERVICE SECTOR ADDITIONAL WORK
 CONTRACT MODIFICATION IN THE AMOUNT OF \$155,342**

1.	Contract Number: C0652		
2.	Recommended Vendors: Network Infrastructures Corporation (NIC)		
3.	Cost/Price Analysis Information: See Attachment A-1		
	Bid/Proposed Price: \$171,440	Recommended Price: \$155,342	
	B. Details of Significant Variances are in Attachment A-1		
4.	Contract Type: N/A		
5.	Procurement Dates:		
	A. Issued: N/A		
	B. Advertised: N/A		
	C. Pre-proposal Conference: N/A		
	D. Proposals Due: N/A		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics: N/A		
6.	Small Business Participation: See Attachment A1		
	A. Bid Goal: 28%	Date Small Business Evaluation Completed: See Attachment A1	
	A. Small Business Commitment: See Attachment A1 Contractor committed to 50%		
7	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
8	Evaluation Information: For Change Notice C0652-06.00		
	A. Bidders/Proposes Names: Network Infrastructure Corporation	<u>Bid/Proposal Amount:</u> \$171,440	<u>Best and Final Offer Amount:</u> \$155,342
	B. Evaluation Methodology: Engineering Technical Evaluation		
9	Protest Information: N/A Change order.		
	A. Protest Period End Date: N/A Change order		
	B. Protest Receipt Date: N/A Change order		
	C. Disposition of Protest Date: N/A Change order		
10	Contract Administrator: Frank Foster	Telephone Number: 922-3716	
11	Project Manager: Larry Fordon	Telephone Number: 922-6012	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

**CONTRACT NO. C0652
DIVISION 18 SERVICE SECTOR ADDITIONAL WORK
CONTRACT MODIFICATION IN THE AMOUNT OF \$155,342**

A. BACKGROUND ON CONTRACTOR

Network Infrastructures Corporation located at 1042 North Mountain Ave., PMB398, Upland CA. 91786, with headquarters located at 1131 W. Warner Rd. Suite 111 Tempe, AZ. 85284, has been in business for seven years. Network Infrastructure Corporation is involved in major prime and subcontract work on large private industrial and public works projects for construction of communication rooms, installation of power and communication conduits, and fiber optic and copper cabling infrastructure for information technology communications systems.

The Metropolitan Transportation Authority had no prior contracts with Network Infrastructures Corporation. Network Infrastructures Corporation performance on Contract C0652 is in compliance with contract terms.

Network Infrastructures Corporation has recently completed several major communication contracts for the California Public School System with a combined contract value exceeding \$3 million.

B. PROCUREMENT BACKGROUND

Based on adequate price competition, Contract No. C0652 was awarded to Network Infrastructures Corporation, the lowest responsive and responsible bidder, after resolution of a protest on December 14, 2001.

Contract No. C0652 is a fixed price federally funded contract Capital Project for construction of communication equipment rooms; power and communication conduits and cabling inside and between buildings, and upgrade of the power Distribution system at six Metropolitan Transportation Authority facilities at Divisions 1, 2, 3, 5, 7 and 18.

Change Order No. 6.00 provides for additional work in accordance with the new Division Sector Project, to upgrade the wiring and provide a communication link between Facilities Maintenance at Division 18 and the MTA's enterprise communications network. A Limited Notice to Proceed was issued to the contractor in the not to exceed amount of \$100,000 to incorporate changed work without schedule disruption. With contract work 95% complete, this change was added to accommodate implementation of the beginning stages for the Service Sector, as requested by Facilities Maintenance.

C. COST/PRICE ANALYSIS EXPLANATION OF VARIANCES

PROPOSED AMOUNT	<u>ESTIMATE</u>	NEGOTIATED AMOUNT
\$171,440	\$129,584	\$155,342

The recommended amount of \$155,342 has been determined to be fair and reasonable based upon cost analysis. The negotiated amount is less than the Contractor's proposed price, but 19.9% above the MTA Estimate. The variance between the Negotiated Amount and the MTA Estimate is explained by the estimate's assumption of approximately \$20,000 less in subcontractor costs, and \$5,754 in prime contractor indirect costs, incurred for a 21 day time extension.

**BOARD REPORT ATTACHMENT A-2
LIST OF NETWORK INFRASTRUCTURES CORPORATION SUBCONTRACTORS**

**CONTRACT NO. C0652
DIVISION 18 SERVICE SECTOR ADDITIONAL WORK
CONTRACT MODIFICATION IN THE AMOUNT OF \$155,342**

PRIME CONTRACTOR

Network Infrastructures Corporation (NIC)

SMALL BUSINESS CONTRACTOR

Larry Brown Construction

OTHER SUBCONTRACTOR

Reyes & Son Electrical

SMALL BUSINESS PARTICIPATION (CO652)

This Contract has a Disadvantaged Business Enterprise (DBE) participation goal of 50%. The Contract was awarded on November 2002 and is approximately 50% complete. Current DBE attainment¹ based on the current contract amount² is 27%. Current DBE participation³ based on total actual amount paid-to-date to Contractor and total actual amount paid-to-date to DBEs is 88.75%.

Original Award Amount	\$ 1,995,290
Current Contract Value²	\$ 2,060,198
Total Actual Amount Paid to Date to Prime	\$ 606,087

Subcontractor's Name	Commitment	Current Attainment¹	Current Participation	Current Status
Larry Brown Construction	4.2%	3.5%	11.5 %	Performing
Reyes & Sons Electrical	45.8%	23.5%	77.3 %	Performing
Totals	50.0%	27.0%	88.8 %	

*1 Current Attainment = Total Actual Amount Paid-To-Date to Subcontractors ÷ Total Relevant Contract Amount
2 Relevant Contract = Original Contract value + Contract Cost Modifications affecting DBE or SBE Scope of Work
3 Current Participation = Total Actual Amount Paid-To-Date*