

**Board Report**

File #: 2022-0253, **File Type:** Contract**Agenda Number:** 1.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
JUNE 16, 2022****SUBJECT: NETWORK VIDEO RECORDER KITS****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a two-year, Indefinite Delivery / Indefinite Quantity (IDIQ) Contract No. MA85485000 to Peacock Systems, the lowest responsive and responsible bidder for Network Video Recorder Kits. The contract includes a one-year base amount of \$2,162,471 inclusive of sales tax, and a one-year option in the amount of \$2,229,880, inclusive of sales tax, for a total contract amount of \$4,392,351, subject to resolution of protest(s), if any.

ISSUE

Metro owns and operates about 1,300 buses that were originally equipped with digital video recorders (DVRs) manufactured by Dedicated Micros, Inc. when the buses were purchased between 2008 and 2015. These DVRs are currently failing at unsustainable rates and have proven to be beyond repair and determined obsolete. The manufacturer of these units informed Metro that sales and support for the DVRs would no longer be available as of May 2021.

The DVR systems record incidents and events occurring inside and outside of buses in revenue service, and during operation in the maintenance yards. These incidents and events include vehicle accidents, criminal activity, operator/patron altercations, and other activities requiring video downloads to secure evidence to support subsequent actions associated with the listed activities. Buses with defective DVR systems are held from service to ensure proper documentation of incidents, which can impact the availability of buses for revenue service and service reliability.

In 2021, Metro performed approximately 14,250 downloads to capture footage of such activities. Due to the functional necessity of these systems, it is imperative that Metro buses have working DVRs for the safety and security of our bus operators and the riding public.

BACKGROUND

During the past several months, a significant number of Dedicated Micros, Inc. DVR units failed and were not repairable. Metro replaced the failed DVR systems on the bus fleet with the more advanced, reliable, and user-friendly Network Video Recorder Kits during this period. The Network Video Recorder Kits were set up in inventory, purchased, and issued through the standard parts inventory

process.

As the failure rate of the Dedicated Micros DVRs increased, management determined that maintaining inventory stock of the Network Video Recorder Kits could not adequately support the replacement needs for the video recording systems on the bus fleet. In addition, the procurement of Network Video Recorder Kits was approaching the procurement thresholds requiring formal bid for subsequent purchases.

The award of this contract will provide a sufficient number of Network Video Recorder Kits to meet the current demand and ensure that video recording capabilities are available and operational on the impacted bus fleets.

DISCUSSION

The notification by Dedicated Micros Inc that sales and support for their DVR system was no longer available, along with the determination that the digital video recorders used on that system were unrepairable and obsolete, resulted in the requirement that these units be replaced upon failure with the more advanced, reliable, and user-friendly Network Video Recorder Kits. The approval of this contract with Peacock Systems for Network Video Recorder Kits improves the customer experience by ensuring that any incident on a Metro bus is properly documented, thereby improving our customers' safety and security.

Bus maintenance initiated a campaign to replace the failed DVR systems with the Network Video Recorder Kits maintained in stock, and a procurement was established to provide additional stock in sufficient quantities to meet the demand for replacement of the video recording systems as the Dedicated Micros systems continue to fail on the bus fleet.

The Network Video Recorder Kits procured with this award will allow the use of both analog and digital cameras with minimal modification to the existing camera systems for seamless operation. Another benefit of the new Network Video Recorder system is the capability to live-stream video while the bus is in operation on city streets.

The Network Video Recorder Kits will be purchased and maintained in Metro inventory and managed by Material Management. The appropriate budgeted project number and account will be charged as the Network Video Recorder Kits are issued.

DETERMINATION OF SAFETY IMPACT

Award of this contract will ensure that the Metro bus fleet has an operating surveillance and recording system to properly document the bus fleet's incidents. The Network Video Recorder Kits will support Metro's commitment to improving safety and security on the bus system.

FINANCIAL IMPACT

Upon Board approval funding of \$2,162,471 is included in the FY23 budget in various bus operating cost centers, under project 306002 - Operations Maintenance, under line item 50441 - M/S Parts -

Revenue Vehicle.

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

Impact to Budget

The current funding source for this action includes Prop C, TDA, and STA. Use of these funding sources maximizes the project funding allocations under established funding provisions and guidelines.

EQUITY PLATFORM

This action is anticipated to support safety and quality of service on the Metro bus fleet, which disproportionately serves marginalized groups and Equity Focus Communities (EFCs). The Network Video Recorder Kits have the capability to record boardings/alightings, which will provide the capability to accurately record Metro bus ridership and increase the agency's capability to meet demand with service. The Metro bus maintenance programs ensure that safety and security systems installed on buses remain in a State of Good Repair to provide uninterrupted transportation services for these underserved communities.

The Diversity and Economic Opportunity Department (DEOD) established a two percent (2%) goal and verified the commitment by the successful bidder, who is a Metro certified DBE, of 100% for this procurement.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Replacement of Digital Video Recorders supports Strategic Goal 2: Deliver outstanding trip experiences for all transportation system users. The Network Video Recorder Kits will improve security on the bus system, provide a deterrent to crime, reduce the transit system's vulnerability to terrorism, and help to enforce Metro's Code of Conduct.

ALTERNATIVES CONSIDERED

Metro may choose not to award the contract and procure the Network Video Recorder Kits on an as-needed basis using the Metro parts inventory "min/max" replenishment system method. This strategy is not recommended since it conflicts with Metro procurement policy and does not provide for a commitment from the supplier to ensure the timely delivery, continued supply, and a guaranteed fixed price for the Network Video Recorder Kits. Further, due to the obsolescence of the existing DVR system, the only solution is to replace the failed/obsolete units with a new video recording system. By not replacing the failed DVRs, Metro risks not being able to provide surveillance video and recording capabilities to meet the safety and security requirements on the Metro bus fleet.

NEXT STEPS

Upon approval of Contract No. MA85485000 to Peacock Systems, the vendor will begin delivery of the Network Video Recorder Kits to Metro when requested, to meet the current demand for

replacement of failed DVR systems.

ATTACHMENTS

Attachment A - Procurement Summary

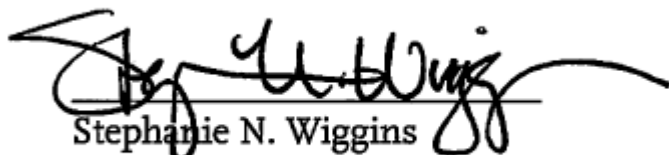
Attachment B - DEOD Summary

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Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

NETWORK VIDEO RECORDER KITS/MA85485000

1.	Contract Number: MA85485000	
2.	Recommended Vendor: Peacock Systems, 5120-C Schaefer Avenue, Chino, CA 91710	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates :	
	A. Issued: 2/24/22	
	B. Advertised/Publicized: 2/24/22	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 3/9/22	
	E. Pre-Qualification Completed: 4/29/22	
	F. Conflict of Interest Form Submitted to Ethics: 3/10/22	
	G. Protest Period End Date: 6/20/22	
5.	Solicitations Picked up/Downloaded: 29	Bids/Proposals Received: 3
6.	Contract Administrator: Tanya Allen	Telephone Number: (213) 922-1018
7.	Project Manager: Salvador Buenrostro	Telephone Number: (213) 922-5589

A. Procurement Background

This Board Action is to approve Contract No. MA85485000 for the procurement of Network Video Recorder Kits. Board approval of this contract award is subject to resolution of any properly submitted protest.

An Invitation for Bid (IFB) No. MA85485 was issued in accordance with Metro's Acquisition Policy and the contract type is Indefinite Delivery, Indefinite Quantity (IDIQ).

Two (2) amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1 was issued on February 8, 2022 to revise the technical specifications.
- Amendment No. 2 was issued on January 12, 2022 to revise the technical specifications.

A total of three (3) bids were received on March 9, 2021.

B. Evaluation of Bids

This procurement was conducted in accordance and complies with Metro's Acquisition Policy for a competitive sealed bid. The three bids received are listed below in alphabetical order:

1. Muncie Transit Supply
2. Peacock Systems
3. Safe Fleet

Two firms were determined to be responsive and responsible to the IFB requirements. Safe Fleet was deemed non-responsive for failing to meet the mandatory 2% goal. The recommended firm, Peacock System, the lowest responsive and responsible bidder, was found to be in full compliance in meeting the bid and technical requirements of the IFB.

C. Price Analysis

The recommended bid price from Peacock System has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidder.

Low Bidder Name	Bid Amount	Metro ICE
Peacock Systems	\$4,392,351.60	\$3,762,000
Safe Fleet	\$4,408,475.48	
Muncie Transit Supplies	\$4,820,718.23	

D. Background on Recommended Contractor

The recommended firm, Peacock Systems, Inc. is located in Chino, CA and has been in business for twenty-one (21) years. Peacock Systems provided similar products for Metro and other companies including Security Systems, in Chino Hills CA, Network Video Security Cameras in Tarzana, CA, Safe Fleet Network in Los Angeles, CA, Mobil Systems in Diamond Bar, and Bright Sign, in San Jose, CA. Peacock Systems has provided satisfactory service and product to Metro on previous purchases.

DEOD SUMMARY

NETWORK VIDEO RECORDER KITS / MA85485000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this Indefinite Delivery / Indefinite Quantity (IDIQ) solicitation. Peacock Systems, a DBE Prime Supplier, made a 60% DBE commitment. While the DBE Prime Supplier is performing 100% of the work with their own workforce, only 60% of the cost of materials and supplies can be credited towards its commitment.

Small Business Goal	DBE 2%	Small Business Commitment	DBE 60%
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	DBE Subcontractors	Ethnicity	% Committed
1.	Peacock Systems (DBE Prime)	Subcontinent Asian American	60%
Total Commitment			60%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.