



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

**SYSTEM SAFETY & OPERATIONS COMMITTEE
JUNE 19, 2014**

SUBJECT: CALL CENTER TELEPHONE SYSTEM REPLACEMENT PROJECT

ACTION: AWARD CONTRACT

RECOMMENDATION

Authorize the Chief Executive Officer to award a firm fixed price (FFP) Contract No. PS71702990 to Scottel Voice & Data Inc. dba Blackbox Network Systems, the highest rated proposer for implementation of the Call Center Telephone System Replacement Project for an amount not to exceed \$1,314,917, inclusive of sales tax.

ISSUE

The current telephone system is at the end of its life, is experiencing a higher rate of failures, and lacks modern functionality. These deficiencies adversely impact Metro's ability to provide the highest degree of customer service.

Metro's Call Center needs to replace the current call center system with a new turn-key telephone system using state-of-the-art technology to support the Customer Relations Department.

Metro assists over 2.6 million transit customers annually by providing regional routes, schedule, and fare information for service in Los Angeles, Riverside, San Bernardino, Orange, and Ventura counties. Replacing the system currently used by Metro Information Agents and Passenger Relations Representatives would alleviate existing limitations, extend functionality, and enhance management capabilities.

DISCUSSION

The main telephone system (PBX) used by Metro is over 15 years old and due to its age and end-of-life status, is no longer supported by the manufacturer. Continuing usage of this system, which cannot be upgraded, compromises Metro's ability to offer contemporary features and services to employees and customers.

The end-of-life status of the current system compels implementation of a new telephone system that will enable Customer Relations and Metro to meet regional and agency objectives and customer demands. Through the use of state-of-the-art technology and improved resource management, Customer Relations will be able to extend the functionality of the Call Center and Passenger Relations telephone system to offer a range of customer options in responding to customer inquiries and providing trip planning assistance.

Benefits for customers and the Agency include:

- Implementation of state-of-the-art PBX and current technology that is supportable by the manufacturer, vendor, and Metro staff.
- Robust, flexible, and expandable telephone system that meets anticipated needs over the expected life of the system.
- Utilization of interactive voice response to design and implement customer-friendly menus and self-help applications for Customer Relations and other departments.
- Remote Agent capabilities that allow agents to work from alternative locations and disaster recovery contingencies.
- Expansion of services associated with social media mining to increase responsiveness and improve the customer experience. For example, using the keyword search feature to capture customer complaints from Facebook and Twitter and proactively addressing such concerns on Metro's website.

This new system ensures that Metro can continue to meet current and future customer and technological demands required of a regional agency and improves overall customer service provided by Customer Information Agents and Passenger Relations Representatives.

DETERMINATION OF SAFETY IMPACT

Approval of this item will not impact the safety of Metro's customers or employees.

FINANCIAL IMPACT

Funding for this project is included in the FY15 Proposed budget in cost center 7170 Customer Relations, project 207117 Call Center Telephone System Replacement, account 53102 Acquisition of Equipment for the amount of \$631,000. Since this is a multi-year project, the Project Manager and the Chief Communications Officer are responsible for budgeting in future years.

Impact to Budget

The source of funds for this project is Transportation Development Act (TDA) Article 4. The funds are eligible for bus and rail operating and capital improvement costs. As such, these funds are appropriate for this effort.

ALTERNATIVES CONSIDERED

The Department looked at leasing vs. purchasing a new telephone system but a telephone system customized to meet specific Department needs is not available to lease. Continuing to use the existing telephone system was not an option since Nortel no longer supports their PBX equipment or the software/firmware. In addition, the main product, Contact Center 6.0, which is used for call center management and reporting, has reached the end of its useful life.

NEXT STEPS

Upon Board's approval, Procurement will execute the subject contract with the selected vendor.

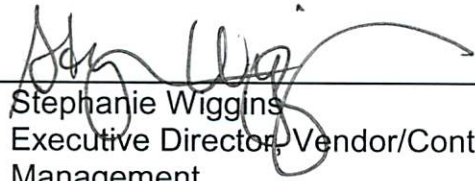
ATTACHMENT

A. Procurement Summary

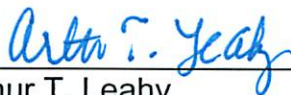
Prepared by: Gail M. Harvey, Director, Customer Relations, (213) 922-7030



Noelia Rodriguez
Chief Communications Officer



Stephanie Wiggins
Executive Director, Vendor/Contract
Management



Arthur T. Leahy
Chief Executive Officer

PROCUREMENT SUMMARY

CALL CENTER TELEPHONE SYSTEM REPLACEMENT PROJECT

1.	Contract Number: PS71702990	
2.	Recommended Vendor: Scottel Voice & Data Inc. (dba Blackbox)	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" 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: May 20, 2013	
	B. Advertised/Publicized: May 20, 2013	
	C. Pre-proposal/Pre-Bid Conference: May 29, 2013	
	D. Proposals/Bids Due: August 19, 2013	
	E. Pre-Qualification Completed: May 9, 2014	
	F. Conflict of Interest Form Submitted to Ethics: May 9, 2014	
	G. Protest Period End Date: June 25, 2014	
5.	Solicitations Picked up/Downloaded: 70	Bids/Proposals Received: 4
6.	Contract Administrator: Ms. Tommye Williams	Telephone Number: 213.922.1051
7.	Project Manager: Gail M. Harvey	Telephone Number: 213.922.7030

A. Procurement Background

This Board Action is to approve a contract award for the replacement of Metro's Call Center Telephone System.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price. This is a re-procurement. The original solicitation had to be cancelled and re-procured to remove a brand name restriction. Six amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on June 6, 2013, extended the due date for approved equals, provided an additional list of SBE certified firms, and provided questions and answers from the pre-proposal conference.

- Amendment No. 2, issued on June 26, 2013, extended the due date to July 22, 2013.
- Amendment No. 3, issued on July 12, 2013, provided answers to additional questions that were submitted.
- Amendment No. 4, issued on July 18, 2013, provided a revised flowchart for the Call Center and also provided answers to additional questions that were submitted.
- Amendment No. 5, issued on August 2, 2013, extended the proposal due date due to the receipt of additional questions and answers that were submitted.
- Amendment No. 6, issued on August 8, 2013, extended the proposal due date to August 19, 2013.

B. Evaluation of Proposals/Bids

A total of four proposers responded to this solicitation. A proposal evaluation committee consisting of staff from Customer Relations and Information Technology was convened to evaluate proposals. The proposals were evaluated based on the following evaluation criteria and weights:

Corporate Experience and Past Performance	10 pts
Project Plan	20 pts
Statement of Work Compliance	20 pts
Proof of Concept Compliance	20 pts
Cost/Price Proposal	20 pts
Small Business Enterprise (SBE) Participation	10 pts

The evaluation criteria are appropriate and consistent with criteria developed for projects similar in nature to this procurement.

The proposal evaluation team conducted an extensive multi-phased evaluation process as outlined and specified in the RFP as follows:

Phase 1 – review of Minimum Qualifications documentation and request initial clarifications to determine if Minimum Qualifications were met.

Phase 2 – Conduct reference checks and evaluate/score each proposer under first 3 criteria to establish competitive range.

Phase 3 - Conduct Proof of Concept Demonstrations for firms in competitive range.

Phase 4 - Conduct written discussions/clarifications with firms in the competitive range.

Phase 5 - Request Best and Final Offers from firms in competitive range.

Of the four proposals received, three were determined to be within the competitive range. One firm was determined to be outside the competitive range and was not included for further consideration.

The three firms within the competitive range are listed below in alphabetical order:

1. Altivon, L.P. (Altivon)
2. Shared Solutions and Services Inc. (Arrow S3)
3. Scottel Voice & Data Inc. dba Black Box Network Services (Blackbox)

Qualifications Summary of Firms Within the Competitive Range:

ALTIVON

Altivon was established in 1989 and has been deploying Voice Over Internet Protocol and Contact Center solutions throughout U.S. and Canada. Their customer size of various clients ranges from 20 user/agents to several thousand users/agents.

Altivon successfully implemented similar projects for other clients. Their proposed team has experience on similar projects and their proposed solution provided an excellent integration into Metro's network as verified through the Proof of Concept demonstration and testing.

ARROW S3

Arrow S3 is a wholly owned subsidiary of Arrow Electronics. They have more than 79,000 active customers and they specialize in Contact Centers, Unified Communications, Voice and Data Technologies, Managed Service Delivery, and Network Operations Center.

This vendor has previously provided successful telephony services for Metro. They have relevant corporate experience and satisfactory past performance for various clients. Their Proof of Concept demonstration was more of a presentation rather than an actual demonstration of how proposed solution would work in Metro's network environment. Therefore, the proposal evaluation team could not verify that proposed solution would work in Metro's network environment.

Scottel/BLACKBOX

Scottel/Blackbox is an independent provider of communications, infrastructure, and product solutions. They design, build, and maintain complex voice and data networks in approximately 150 countries with approximately 200 offices spread across over five continents with a staff of more than 4,000.

They have successfully delivered several systems of similar scope and size and proposed solution offers an excellent integration into Metro's network as demonstrated through the Proof of Concept testing.

CONCLUSION

Blackbox received the highest score of all firms within the competitive range. They submitted an excellent project plan, have a firm grasp of the requirements and logistics required for delivery, have delivered several systems of similar size and scope to this requirement, and their proposed staff and subcontractors have expertise and experience. In addition, Scottel/Blackbox submitted the lowest price of all respondents and their project team includes an SBE-certified firm.

Following is an overview of the evaluation:

FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
Firm 1 – Altivon				
Corporate Experience/Past Performance	82.00	10.00%	8.20	
Project Plan	76.00	20.00%	15.20	
Statement of Work Compliance	80.00	20.00%	16.00	
Proof of Concept Compliance	100.00	20.00%	20.00	
Cost/Price	70.00	20.00%	14.00	
Small Business Participation	0.00	10.00%	0.00	
Total		100.00%	73.40	2
Firm 2 – Arrow S3				
Corporate Experience/Past Performance	78.00	10.00%	7.80	
Project Plan	74.00	20.00%	14.80	
Statement of Work Compliance	70.00	20.00%	14.00	
Proof of Concept Compliance	46.00	20.00%	9.20	

FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
Cost/Price	60.00	20.00%	12.00	
Small Business Participation	0.00	10.00%	0.00	
Total		100.00%	57.80	3
Firm 3 – Black Box				
Corporate Experience/Past Performance	82.00	10.00%	8.20	
Project Plan	86.00	20.00%	17.20	
Statement of Work Compliance	86.00	20.00%	17.20	
Proof of Concept Compliance	96.00	20.00%	19.20	
Cost Price	100.00	20.00%	20.00	
Small Business Participation	5.00	10.00%	5.00	
Total		100.00%	86.80	1

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate, adequate price competition, and negotiations.

	Proposer Name	Proposal Amount	Negotiated	ICE
1.	BlackBox	\$1,329,917	\$1,314,917	\$1,400,000
2.	Altivon	\$1,644,732	\$1,913,701	
3.	Arrow S3	\$2,325,475	\$2,241,165	

D. Background on Recommended Contractor

The recommended firm, Scottel Voice and Data dba Blackbox Network Services, located in Los Angeles, California has been in business for more than thirty years and has more than 20 years experience in building redundant networks. Blackbox has delivered several systems of similar scope and size to Metro's requirements. Proposed project manager has more than 13 years experience in the installation and management of telecommunications and IT infrastructure.

E. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 5% Small Business Enterprise (SBE) goal for this solicitation. Scottel Voice and Data dba Blackbox Network Services exceeded the goal with a 13.79% SBE commitment.

SMALL BUSINESS GOAL	DBE/SBE 5%	SMALL BUSINESS COMMITMENT	13.79%
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	DBE/SBE Subcontractors	% Committed
1.	Garnier Group & Associates	13.79
	Total Commitment	13.79

F. All Subcontractors Included with Recommended Contractor's Proposal

	Subcontractor	Services Provided
1.	Epoch Universal	Design, Configuration, Implementation, Testing, Training
2.	Garnier Group & Associates	Communication Equipment Repair and Maintenance