



REVISED

MTA BOARD MEETING
APRIL 22, 2004

SUBJECT: TELEPHONE SYSTEM SERVICE CONTRACT

ACTION: AWARD CONTRACT AMENDMENT TO SHARED TECHNOLOGIES FOR MONTH-TO-MONTH TELEPHONE SYSTEM MAINTENANCE AND SERVICE IN AN AMOUNT NOT TO EXCEED \$25,661

RECOMMENDATION

Authorize the Chief Executive Officer to execute Amendment No. 7 to Contract No. PS-9240-0681 with Shared Technologies to provide telephone maintenance system service for a period of two months in the amount not to exceed \$25,661 increasing the Total Contract Value from \$518,814 to \$544,475.

RATIONALE

On April 15, 2004, Staff presented to the Finance and Budget Committee a recommendation to replace the current telephone system maintenance contract with a new Contract PS92301371. Staff's recommendation was based on the evaluation of proposals received in response to a competitive solicitation. The recommended proposer, Shared Technologies is currently emerging from Chapter 11, bankruptcy filings submitted by their parent company Allegiance Telecom. The Finance and Budget Committee agreed to carry over action on the award recommendation until the courts clear the bankruptcy. In addition, the Finance and Budget Committee directed staff to proceed, on a month-to-month basis, with the current service provider until the bankruptcy is cleared and the Board acts on the award recommendation. The extension of this Contract for two months will exceed the CEO's delegated signature authority requiring approval by the Board. This action will ensure continuation of telephone system maintenance through June 30, 2004.

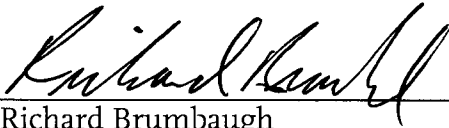
FINANCIAL IMPACT

Funding in the amount of \$25,661 for two months of service is included in the FY04 budget in cost center number 0921, ITS Non-Departmental, under project numbers 100001 and 100033, General Overhead, account 50308, Contract Maintenance Services.

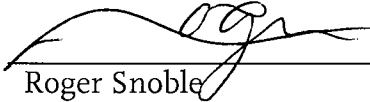
ALTERNATIVES CONSIDERED

The alternative of not awarding the contract would be to shift the responsibility for repair and maintenance of the entire telephone system to MTA staff. This would require the MTA to train and obtain NORTEL certification for existing staff, hire a minimum of two additional NORTEL trained technicians, and maintain an extensive inventory of replacement parts. The expense to bring in-house the repair and maintenance of the telephone system would substantially exceed the cost to retain a service provider.

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Richard Brumbaugh
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Roger Snoble
Chief Executive Officer

