January 10, 2018

To: Finance and Administration Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Agreement for Information Technology Contract Technical Staffing

Overview

On September 25, 2017, the Board of Directors authorized the release of a request for proposals for a firm to provide contract technical staffing for data warehouse administration, SharePoint administration, project management, help desk support, desktop support, network administration, and application support for the Information Systems Department. Proposals were received and evaluated in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Board of Directors' approval is requested to select a firm to provide contract staffing services for Information Technology technical positions.

Recommendations

A.   Approve the selection of Intratek Computer, Inc., as the firm to provide contract staffing services for Information Technology technical positions.

B.   Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1949 between the Orange County Transportation Authority and Intratek Computer, Inc., in the amount of $11,267,760, for a five-year term, effective June 1, 2018 through May 31, 2023, to provide contract staffing services for Information Technology technical positions.

Discussion

Since consolidation in 1991, the Orange County Transportation Authority (OCTA) has continually sought to improve the way in which business is conducted by identifying opportunities for privatization and contracting. By contracting various technical positions, the Information Systems (IS) Department has been able to extend the coverage of the existing full-time staff and keep up with the increasing workload of the department. Staffing needs are evaluated annually; however, on average, ten to 12 full-time equivalent positions are

contracted. Supplemental staffing allows the IS Department to quickly adjust resources based on overall workload and projects. The contractor's responsibilities will include supporting OCTA's business applications and their associated infrastructure, including databases, operating systems, as well as server and desktop hardware. This has also allowed full-time staff to concentrate on the newer technologies, such as business intelligence, thin-client server computing, data center virtualization, and end-user collaboration platforms.

Each year, the IS Department determines its need for contracted technical staffing. The current contract will expire May 31, 2018. As a result, the development of a request for proposals (RFP) to meet these needs was prepared.

This contract for technical staffing enables the IS Department to provide technical support to the current portfolio of projects that have been requested by various OCTA departments. Contract staff also provides support in maintaining the current technical infrastructure of 165 databases, over 1,000 desktops, three Hewlett Packard-Unix Operating System Servers, ten Linux Operating System Servers, over 300 virtual Microsoft Windows Servers, and two disk arrays containing over 80 terabytes of storage.

Continuing the assignments of the current contract personnel would ensure no interruption in the service or performance levels to OCTA. Therefore, the RFP instructed firms to describe in their proposals their transition plans for retaining the current contract personnel, as well as discuss available benefits offered to long-term contract employees.

Procurement Approach

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for professional and technical services. Various factors are considered in an award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience with similar projects, staffing and project organization, work plan, as well as cost and price.

On September 25, 2017, the Board authorized the release of RFP 7-1949, which was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on October 4 and 9, 2017. A pre-proposal conference was held on October 4, 2017, with 24 attendees representing 19 firms. Four addenda were issued to make available the pre-proposal conference registration sheets and presentation, as well as to respond to questions related to the RFP, and to handle administrative issues.

On October 25, 2017, 39 proposals were received. Prior to the evaluation committee meeting, all contractual exceptions and/or deviations submitted by the proposers were reviewed. UST Global Inc. (UST Global) submitted several contractual exceptions and/or deviations, four of which were deemed non-negotiable, and the firm was provided with the opportunity to retract the items. UST Global did not retract two of the four exceptions and/or deviations; therefore, the firm's proposal was not included as part of the evaluation process. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management and Information Systems met to review the 38 qualified proposals submitted. The proposals were evaluated based on the following Board-approved evaluation criteria and weights:

- Qualifications of the Firm   25 percent
- Staffing and Organization   35 percent
- Work Plan   20 percent
- Cost and Price   20 percent

Several factors were considered in developing the evaluation criteria weights. Staffing and organization was weighted at 35 percent as it is critical for the firm to demonstrate it can provide the experienced and qualified individuals needed to achieve the requirements set forth in the scope of work without any loss of service or performance levels to OCTA. Qualifications of the firm was weighted at 25 percent as the proposing firm needs to have the resources to be able to meet the immediate and long-term staffing requirements of this contract. Work plan was weighted at 20 percent to ensure the firm demonstrated their understanding of the project scope, as well as how to provide the staff with the required skill levels and required experience. Cost and price was also assigned 20 percent to ensure a fair comparison of the proposed rates for the total contract term, as well as ensuring that OCTA receives value for the services provided.

On November 20 and 21, 2017, the evaluation committee reviewed the proposals based on the evaluation criteria and short-listed the four most qualified firms listed below in alphabetical order:

APR Consulting, Inc. (APR)
Diamond Bar, California

Intratek Computer, Inc. (Intratek)
Irvine, California

MIDCOM, A Cenergy Company (MIDCOM)
Anaheim, California

Volt Workforce Solutions (Volt)
Orange, California

On December 5, 2017, the evaluation committee conducted interviews with the four short-listed firms. The interview consisted of a presentation to demonstrate the firms' understanding of OCTA's requirements. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. Questions were asked relative to the firms' pre-screening process and approach to recruiting positions that are a challenge to fill. The firms were also asked to elaborate on their benefits package and training program for contracted staff. The transition plan to retain the current contracted staff was also addressed in the questions. Finally, each team was asked specific clarification questions related to their proposal.

Based on the evaluation of the written proposals and information obtained from the interviews, the evaluation committee is recommending Intratek for consideration of the award. The following is a brief summary of the proposal evaluation results.

Qualifications of the Firm

The four firms demonstrated vast experience recruiting candidates in the highly competitive Information Technology (IT) field.

Intratek is the incumbent firm and has been providing contract technical staff to OCTA since 2011. Located in the City of Irvine, the firm has been providing IT staffing services since 1989 and has over 200 technical personnel on staff. Intratek's past work with other public agencies, such as Dallas/Fort Worth International Airport, Orange County Fire Authority, and Southern California Regional Rail Authority, as well as OCTA, highlighted the firm's extensive experience in providing long-term contract staff.

APR, MIDCOM, and Volt have each been in the IT staffing industry for over 35 years and have placed similar IT technical positions for their various clients.

Staffing and Project Organization

The four firms all proposed experienced and well-rounded project teams with relevant experience in staffing for the positions that OCTA requires.

Intratek proposed to keep the same project team that is on OCTA's current technical staffing contract. The proposed project manager has served in this capacity for 12 years on previous OCTA technical staffing contracts. The

proposed project team has extensive IT staffing experience and is committed in continuing the same level of support to OCTA. In addition to the proposed project team, Intratek has IT subject matter experts on staff to provide support or serve as emergency back-ups as needed. The firm proposed to continue the assignments of the current contract personnel to ensure no loss of service or performance levels to OCTA. Intratek detailed its benefits package offered to long-term contract staff, which includes paying 100 percent of employees' standard health insurance premiums and allocating $2,500 per employee per year for job-related training. During the interview, Intratek's team best demonstrated a high level of commitment and a comprehensive understanding of OCTA's staffing requirements.

APR, MIDCOM, and Volt each proposed a knowledgeable project team and discussed their plans for transitioning the current contract personnel, as well as providing replacement personnel with the same qualifications and skill sets. While the firms all offer a benefits package to their long-term contract personnel, they were not as favorable for retention and recruitment of contract staff. In addition, APR clarified during its interview that paid time off is not included in its overhead and that it would be billed back separately to OCTA. During the interview, MIDCOM's Vice President responded to all the questions with limited participation from the proposed project manager and technical recruiter, which are the individuals that would be the day-to-day contacts on the project. Volt does not offer paid holidays to contract staff and the firm did not provide thorough responses to some of the questions.

Work Plan

The four firms all met the service requirements of the RFP to provide long-term technical staffing services to support the IS Department.

Intratek presented a comprehensive work plan that addressed all elements of the scope of work. The firm demonstrated a clear understanding of the project requirements and discussed its approach to meeting these objectives, such as recruitment and candidate screening. Recruiting resources include networking events, technology-specific partner alliances, internal/external databases, social media, and professional associations. Intratek verifies candidates' qualifications by reviewing resumes, contacting references, and conducting telephone interviews, as well as administering job skills testing. The firm offers a variety of training programs to ensure continued growth of its contract personnel, as well as meet OCTA's training needs.

APR, MIDCOM, and Volt discussed the different strategies they use to recruit for positions and how they maintain their candidate databases. The firms also

detailed their candidate screening process to ensure that only qualified candidates are presented to fill a position.

Cost and Price

Pricing scores were based on a formula which assigns the highest score to the firm with the lowest average billable hourly rate, and scores the other proposals' average billable hourly rates based on their relation to the lowest average billable hourly rate. Although Intratek did not propose the lowest average billable hourly rates, pricing was competitive with the other proposing firms.

Procurement Summary

Based on the evaluation of the written proposals, the firms' qualifications, and the information obtained from the interviews, the evaluation committee recommends the selection of Intratek as the top-ranked firm to provide contract staffing services for IT technical positions. Intratek delivered a comprehensive proposal and an interview that was responsive to the requirements of the RFP.

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2017-18 Budget, Finance and Administration/Information Systems, Accounts 1282-7519-A5354-9S6/1283-7519-A5352-9TU/1284-7519-A5352-41A/1285-7519-A5359-9RS, and is funded through local funds. The funding for each year will be included within that fiscal year's budget.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1949 between the Orange County Transportation Authority and Intratek Computer, Inc., in the amount of $11,267,760, for a five-year term, effective June 1, 2018 through May 31, 2023, to provide contract staffing services for Information Technology technical positions.

Attachments

A.   Review of Proposals – RFP 7-1949 Information Technology Contract Technical Staffing
B.   Proposal Evaluation Criteria Matrix (Short-Listed Firms) – RFP 7-1949 Information Technology Contract Technical Staffing
C.   Contract History for the Past Two Years – RFP 7-1949 Information Technology Contract Technical Staffing

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