

**Date:** September 22, 2021

**To:** Board of Directors

**From:** Sam Desue, Jr.

**Subject: RESOLUTION 21-09-44 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH CVE TECHNOLOGIES GROUP, INC. (CVE) FOR IT NETWORK HARDWARE, SOFTWARE AND ENGINEERING SERVICES**

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**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a Cooperative Procurement (piggyback) contract with CVE Technologies Group, Inc. (CVE) for Information Technology (IT) network hardware, software and engineering services (Contract), using the current State of Oregon agreement with CVE.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Type of Contract Procurement**

- Low Bid / Invitation to Bid (ITB)
- Request for Proposals (RFP)
- Request for Qualifications (RFQ)
- Other (inc. sole source) Cooperative Procurement (Piggyback)

**4. Reason for Board Action**

Board authorization is required for all goods or services contracts obligating TriMet to pay in excess of \$1,000,000.

**5. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**6. Background**

Pursuant to ORS 279A.215, Permissive Cooperative Procurements, a public body like TriMet may enter into a “piggyback” contract with a vendor who already is providing services to the State of Oregon, provided the contract terms remain the same. By leveraging an existing State of Oregon Price Agreement with CVE, TriMet is able to obtain discounted pricing on equipment, maintenance and support for its IT network systems, including but not limited to

switches, routers, firewalls, telephone and voice systems, and wireless network infrastructure.

In 2017, TriMet contracted with CVE under such a “piggyback” contract, until that contract expired in 2021. Under that contract, CVE successfully supported several large projects for TriMet, including a multi-year, complete IT network redesign, and TriMet is satisfied with CVE’s work. Although that contract’s authorized amount was \$9.8 million, only \$8.1 million was expended prior to its expiration.

Because the previous State of Oregon Price Agreement with CVE expired and has been replaced, TriMet wishes to enter into a new “piggyback” agreement in order to continue its ongoing IT work. The new CVE Contract will ensure continued IT support and will address TriMet’s projected need for increased IT services for up to six years, with an initial one-year term plus five option years.

**7. Description of Procurement Process**

The State of Oregon conducted a competitive procurement process and awarded Price Agreement #1605 to Cisco. Under ORS 279A.215, TriMet will issue a Contract to Cisco utilizing the same terms and conditions of Price Agreement #1605.

**8. Diversity**

CVE has 1,179 employees, of whom 21% are minorities and 5% are female. CVE will self-perform all of the services under the Contract. Before exercising the optional contract extensions, TriMet will evaluate the potential for CVE to subcontract with certified firms to provide some of the services.

**9. Financial/Budget Impact**

The maximum amount of the Contract will be \$18,310,000, over its 6-year term. The Contract amount is accounted for under the Information Technology Division’s capital and operating budget for FY22 through FY28.

**10. Impact if Not Approved**

If the Board decides not to approve this Resolution, TriMet would need to issue an independent Request for Proposals (RFP) for the Goods and Services. However, TriMet would be unlikely to find better pricing through its own RFP process than with the “piggyback” contract mechanism, since the State of Oregon Price Agreement leverages demand from multiple state and local agencies and secures the best possible pricing based on a much larger volume of business than TriMet would offer alone. Having to issue its own RFP would leave TriMet temporarily without a method to renew IT support contracts, purchase hardware, or obtain emergency technical support when needed. Furthermore, TriMet has been satisfied with the quality of CVE’s previous work.

**RESOLUTION NO. 21-09-44**

**RESOLUTION 21-09-44 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A  
CONTRACT WITH CVE TECHNOLOGIES GROUP, INC. (CVE) FOR IT  
NETWORK HARDWARE, SOFTWARE AND ENGINEERING SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 and ORS 279A.215 to enter into a Permissive Cooperative Procurement agreement with CVE Technologies Group, Inc. (CVE) for the procurement of IT network hardware, software and engineering services (Contract); and

**WHEREAS**, by Resolution dated October 25, 2017, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to authorize goods and services contracts obligating TriMet to pay in excess of \$1,000,000; and

**WHEREAS**, the total amount of the Contract exceeds \$1,000,000;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Contract shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Contract in the amount of not more than \$18,310,000, over the potential 6-year Contract term.

Dated: September 22, 2021

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Presiding Officer

Attest:

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Recording Secretary

Approved as to Legal Sufficiency:

***Gregory E. Skillman***  
Legal Department