



## **Meeting of the Operations and Oversight Committee**

Thursday, January 11, 2018 • 10:00 a.m.  
2nd Floor Board Room • 3400 Victoria Blvd., Hampton, VA

A meeting of the Operations and Oversight Committee will be held on Thursday, January 11, 2018 at 10:00 a.m. in the 2nd Floor Board Room at 3400 Victoria Blvd., Hampton, VA.

The agenda and supporting materials are included in this package for your review.



## Meeting of the Operations and Oversight Committee

Thursday, January 11, 2018 • 10:00 a.m.  
2nd Floor Board Room • 3400 Victoria Blvd., Hampton, VA

### AGENDA

1. Approval of the December 2017 Operations and Oversight Committee Meeting Minutes
2. Procurement Recommendations to the Committee:
  - a. Request for approval of Contract 17-75499, Wide Area Network, Internet and Telephone Services
3. Internal Audit, Approval of the 2018 Internal Audit Schedule
4. Operations Update
5. Old and New Business
6. Adjournment

**The next Operations & Oversight Committee Meeting will be held on Thursday, February 8, 2018 at 10:00 a.m. at 509 E. 18<sup>th</sup> Street, Norfolk, VA**



## Meeting of the Operations and Oversight Committee

Thursday, December 7, 2017 • 10:00 a.m.  
2nd Floor Board Room • 509 E. 18<sup>th</sup> Street, Norfolk, VA

### MEETING MINUTES

#### Call to order

Commissioner Fuller of Chesapeake called the meeting to order at 10:04 a.m.

#### **Commissioners in attendance:**

Commissioner Fuller, Chesapeake  
Commissioner Hennessee, DRPT  
Commissioner McClellan, Norfolk  
Commissioner Parnell, Norfolk  
Commissioner Woodbury, Newport News  
Commissioner Rowe, Portsmouth  
Commissioner Amelia Ross-Hammond, Virginia Beach

#### **Hampton Roads Transit Staff in attendance:**

Ray Amoruso, Chief Planning and Development Officer  
Amy Braziel, Sr. Executive Assistant  
Alesia Cain, Chief Information Technology Officer  
Gene Cavazos, Director of Marketing & Communications  
Margaret Denoncourt, Internal Auditor  
Joe Dillard, Government Relations Liaison  
William Harrell, President and CEO  
Tom Holden, Media Relations Specialist  
Sonya Luther, Assistant Director of Procurement  
Maryann Martin, Operations Analyst  
Shanti Mullen, Auditor I  
Sybil Pappas, Chief Engineering and Facilities Officer  
Michael Perez, Director of Rolling Stock  
Jim Price, Chief Operating Officer  
Dyanne Sampson, Director of Procurement  
Silvia Shanahan, Interim Chief Finance Officer  
Benjamin Simms, Director of Bus and Rail Transportation  
Derrick Snowden, Chief Safety & Security Officer  
Mark Stemple, Director of Technical Services  
Brittany Sumpter, DBE and Grants Coordinator

Robert Travers, Counsel

The December Operations and Oversight meeting package was distributed electronically to committee members and the media in advance of the meeting. The meeting package consisted of:

- Agenda
- Minutes from the November Meeting
- DRPT October 2017 Audit, SSPP Findings presentation

### **Approval of the November 2017 Minutes**

A motion to approve the November 2017 Meeting Minutes was made by Commissioner Woodbury and properly seconded by Commissioner Parnell.

The November 2017 Meeting Minutes were approved by a unanimous vote.

### **Internal Audit Update**

Ms. Margarete Denoncourt reviewed the current Safety Audit that the Internal Audit Department conducted as enclosed in the meeting package.

There was some discussion regarding Safety and Security's response to the report.

There was some discussion regarding upcoming audits and reports from the internal audit department.

### **DRPT Presentation**

Ms. Sharila Samarasinghe and Mr. Andrew Innis from the Department of Rail and Public Transportation gave the October 2017 Audit, SSPP Findings presentation that was enclosed in the meeting package.

There was some discussion regarding incidents at Botetourt and Brambleton and the need for the City of Norfolk and HRT to work together to find solutions.

It was stated that the City of Norfolk has undergone a number of changes since the light rail came online and HRT and the city need to revisit those changes.

It was stated that HRT will start a marketing campaign to address possible complacency along the alignment. There was a request for HRT to provide a plan, which includes a timeline, for the execution of the marketing campaign.

It was requested that the Norfolk committee members be kept in the loop regarding talks with the city regarding light rail.

### **Operations Update**

Mr. Jim Price stated that the recent Grand Illumination and Holly Dazzle events that HRT supported were a great success.

### **New and Old Business**

It was stated that Dyanne Sampson, Director of Procurement will be leaving HRT for a position in San Antonio, TX.

There was a discussion regarding the Chief Financial Officer position.

### **Adjournment**

The meeting was adjourned at 10:41 a.m.

Respectfully submitted by:  
Amy Braziel, Sr. Executive Assistant

<b>Contract No:</b>	<b>17-75499</b>	<b>Title:</b>	<b>Wide Area Network, Internet and Telephone Services</b>	<b>Price: Term:</b>	<b>\$998,610 3 yrs. w/2 1-yr. options</b>
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**Acquisition Description:** Enter into a contract with a qualified telecommunications provider to interconnect Hampton Roads Transit’s (HRT’s) various properties; and, provide internet access and telephone services.

**Background:** HRT currently operates three (3) major datacenters at its Northside and Southside Bus Operations, Maintenance and Administration Facilities and the Norfolk Tide Facility. The datacenters are hubs to all HRT specific systems and houses the majority of the HRT’s user base. Additionally, HRT operates Transit Centers, Maintenance and Operations, and other facilities. Under the terms of this agreement, the Contractor shall deliver scalable Wide Area Network (WAN) connectivity to all HRT locations; provide a scalable Internet access solution; offer direct connectivity to hosted cloud services providers like Microsoft Azure; and, provide delivery of Voice Services supporting HRT’s telecommunication needs with Primary Rate Interface (PRI) and Voice over Internet Protocol (VoIP) solutions, as well as analog lines for life safety and emergency systems.

**Contract Approach:** A Request for Proposals (RFP) was issued on May 22, 2017. Two (2) proposals were received on July 28, 2017 from the following firms:

- Cox Virginia Telecom, LLC dba Cox Business (Cox)
- Windstream Services, LLC (Windstream)

In response to the RFP, proposers were given the option to propose on one (1) or all of the services required. Upon review and evaluation of the technical proposals, Cox was rated best to meet the requirements of the Scope of Work (SOW) due to their past experience with HRT and their understanding of the solutions required. Windstream was eliminated from further consideration during technical review due to its reliance on third-party providers for delivering the “last mile” connectivity to all HRT locations; lack of response to the question of underlying media and connectivity technology for each site; and, lack of commitment in building out Windstream’s network to HRT locations. Based on Cox’s strong technical qualifications, experience, and proposed solutions, HRT staff made the decision to enter into negotiations for the purpose of a possible award.

Negotiations focused on clarifying tower site connectivity and bandwidth at select locations; clarifying assumptions made in establishing pricing; and, reviewing exceptions to the Terms and Conditions of the Contract. At the conclusion of negotiations, a Best and Final Offer (BAFO) was requested, which included additional requirements discussed during negotiations.

After an analysis of the BAFO received, HRT Staff determined that Cox provided the best overall value to HRT based on a combination of their technical capability, proposed solutions and price. The amount proposed represents all costs associated with providing WAN connectivity, Microsoft Azure, Radio Tower Site connectivity, internet access, telephone services and estimated long distance services.

Cox’s BAFO is deemed fair and reasonable based on the results of the negotiations and the fact that the pricing was obtained in a competitive environment. A contractor responsibility review confirmed that Cox is technically and financially capable to perform the work.

Cox is headquartered in Atlanta, GA and provided similar services to the City of Norfolk; the City of Chesapeake; and, at Langley Air Force Base, Fort Story Naval Base and Fort Eustis Army Base.

<b>Contract No:</b>	<b>17-75499</b>	<b>Title:</b>	<b>Wide Area Network, Internet and Telephone Services</b>	<b>Price: Term:</b>	<b>\$998,610 3 yrs. w/2 1-yr. options</b>
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The period of performance for this contract is three (3) base years with two (2) additional one-year options.

No DBE Goal is assigned for this solicitation.

**Cost/Funding:** This contract will be funded with operating funds.

**Project Manager:** Alex Touzov, Director of Technology Services

**Contracting Officer:** Sonya Luther, Interim Director of Procurement

**Recommendation:** It is respectfully recommended that the Commission approve the award of a contract to Cox Virginia Telecom, LLC to provide wide area network connectivity, internet access and telephone services in the not-to-exceed amount of \$998,610 for a period of five (5) years. A breakdown of the proposed amount is attached.

<b>Description of Services</b>	<b>Yearly Proposed Price (Original Offer)</b>	<b>Yearly Proposed Price (Best and Final Offer)</b>
Wide Area Network Connectivity (11 sites)	\$105,780	\$93,780
Microsoft Azure ExpressRoute (1G)	Not included	\$37,260
Radio Tower Site Connectivity (2 towers)	\$10,800	\$10,800
Internet Access Connectivity	\$19,560	\$19,560
Telephone Services	\$32,238	\$32,238
Long Distance Telephone Services	Not included	\$6,084
<b>Total Yearly Price</b>	<b>\$168,378</b>	<b>\$199,722</b>

### SOLICITATION RESULTS

<b>Offeror</b>	<b>Original Offer</b>	<b>Best and Final Offer</b>
Windstream Services, LLC*	\$817,398	N/A
<b>Cox Virginia Telecom, LLC</b>	<b>\$841,890</b>	<b>\$998,610</b>

\*Did not include pricing for all services.

## Internal Audit Calendar Year 2018 Audit Schedule

### Required Audits

Audits required based upon industry and regulatory bodies

Engagement	Department	Scope	Anticipated Schedule	Anticipated Completion*
SSPP Elements 1,2,3,5,7,8,9,17, 18,19,21	Safety and Security	System Safety Program Implementation	March 2018	May 2018
SSPP Elements 13, 16, 20	Safety and Security	Rules Compliance/Procedures; Associated Training and Certification; Drug and Alcohol Program	September 2018	November 2018

### Scheduled Audits

Board- Approved engagements selected based upon company objectives

Engagement	Department	Scope	Anticipated Schedule	Anticipated Completion*
Money Room	Revenue Services	Are financial controls in place to mitigate risks of fraud, waste, and abuse of HRT resources?	February 2018	April 2018
Safety and Security Department Review	Safety and Security	Is the Safety and Security Department effectively operating to meet the needs and requirements of HRT?	May 2018	September 2018
GoPass 365	Planning	Are GoPass 365 management controls adequate to provide reasonable assurance the program is operating efficiently and effectively?	October 2018	January 2019

**Note: The audit plan is a working document and may change at any point due to HRT's needs.**