

Agenda Item VIII.C.2

**Authorization to Execute a Contract Amendment with
MGT to Increase the Total Amount of the Contract by
\$600,000 to \$2,400,000 for Telecommunications
Infrastructure Hardware, Software, Services and Support**

Background

- MGT (AMS.net) provides the Park District with network cabling, build-out, equipment, and installation and support services for various park sites throughout the Park District
- The Park District has used MGT for previous purchases, such as Cisco networking equipment and phone systems, maintenance and support subscriptions, and infrastructure repair
- The MGT expenditures leverage a competitively bid contract by County of Merced through the Fast Open Contracts Utilization Services (FOCUS) Program

Analysis

- Resolution 2024-12-255 increased the contract amount to \$1,800,000 to address multiple projects slated for 2025
- Recent circumstances required an increase in the contract limit by \$600,000:
 - Finance review of the blanket purchase order in April indicated a \$300,000 discrepancy in the contract limit from resolution 2023-02-028 and advised a new Board resolution to increase the contract limit
 - Phone system maintenance renews every 5 years, and 2025 is the start of the 5-year renewal. The billed annually amount is \$54,000, with a 5-year contract at \$270,000. This requires the full amount to be added to the contract limit with MGT
 - Unexpected maintenance has been required for our network infrastructure, necessitating emergency repairs of approximately \$30,000

Current request

- Existing approved contract spend with MGT is \$1,800,000
- Future spend is expected to be \$2,400,000
- The \$600,00 increase is compromised of approximately:
 - \$300,000 of previous forecasted expenditures for 2025
 - \$270,000 in phone system maintenance for 5 years
 - \$30,000 in unexpected emergency repair work to network infrastructure
- These total \$600,000, which increases the contract to \$2,400,000. There is budget available for this, so it is budget neutral, and this is an administrative contract amendment for compliance with board operating guidelines

Question and Comments