

(2)

San Diego Unified Port District
Document No. **68825**Filed **AUG 22 2018**
Office of the District Clerk

**AMENDMENT NO. 4 TO AGREEMENT BETWEEN
SAN DIEGO UNIFIED PORT DISTRICT
and
EXCELERATE, LLC
for
AS NEEDED PROJECT MANAGEMENT OFFICE (PMO) SERVICES
AGREEMENT NO. 156-2014**

The parties to this Amendment No. 4 to Agreement are the SAN DIEGO UNIFIED PORT DISTRICT, a public corporation (District) and EXCELERATE, LLC, a California Limited Liability Corporation (Service Provider).

Recitals:

District and Service Provider are parties to an Agreement for As Needed Project Management Office (PMO) Services. The agreement is on file in the Office of the District Clerk as Document No. 62695 dated December 18, 2014, as amended by Assignment and Assumption Agreement between Acme Business Consulting, LLC. and Excelerate, LLC., Document No. 65787 dated November 14, 2016, as amended by Amendment No. 1, Document No. 65872 dated December 13, 2016, as amended by Amendment No. 2, Document No. 67686 dated January 18, 2018, and as amended by Amendment No. 3, Document No. 68389 dated May 10, 2018. It is now proposed to increase the aggregate amount of Agreement with Service Provider and Agreement with Agilis Group Inc. dba AgilisIT, District Clerk No. 62696 by \$1,945,000.00 from a total of \$2,280,000.00 to \$4,225,000.00. Agreement with Matisia Inc. dba Matisia Consulting, District Clerk Document No. 62694 has been terminated and therefore no longer party to the aggregate amount.

The Parties Agree:

1. Section 3.a, MAXIMUM EXPENDITURE, shall be replaced with the following:
 - a. **Maximum Expenditure.** The aggregate amount of Agreement with Service Provider and Agreement with Agilis Group Inc. dba AgilisIT, District Clerk Document No. 62696, collectively shall not exceed

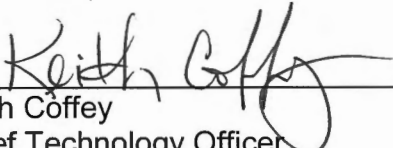
ORIGINAL

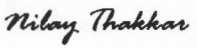
\$3,925,000.00. Two 1-year options may be granted at the District's sole discretion. The aggregate maximum amount of Option Year 1, if granted shall not exceed \$150,000.00 and the aggregate maximum amount of Option Year 2 shall not exceed \$150,000.00. The maximum aggregate expenditure of the above Agreements shall not exceed \$4,225,000.00. Agreement with Matisia Inc. dba Matisia Consulting, District Clerk Document No. 62694 has been terminated and therefore no longer party to the aggregate amount.

2. All other terms, covenants, and conditions in the original Agreement shall remain in full force and effect and shall be applicable to this Amendment.

SAN DIEGO UNIFIED PORT DISTRICT

EXCELERATE, LLC


 Keith Coffey
 Chief Technology Officer


 Nilay Thakkar
 President

Approved as to form and legality:
 GENERAL COUNSEL


 By: Assistant/Deputy

A manually signed copy of this Amendment transmitted by email or any other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

(4)

RESOLUTION 2018-136

**RESOLUTION AUTHORIZING AMENDMENT NO. 2
WITH AGILIS GROUP INC. AND AMENDMENT NO.
4 WITH EXCELERATE LLC FOR PROJECT
MANAGEMENT OFFICE SERVICES INCREASING
THE TOTAL AGGREGATE AMOUNT PAYABLE
UNDER THE AGREEMENTS BY \$1,945,000 FOR A
NEW AGGREGATE AMOUNT PAYABLE UNDER
THE AGREEMENTS NOT-TO-EXCEED \$4,225,000
THROUGH NOVEMBER 4, 2019**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1, (Port Act); and

WHEREAS, the Board of Port Commissioners (BPC) adopted BPC Policy No. 110 to establish a policy governing the processing and administration of public projects, consulting and service agreements, the purchasing of supplies, materials, and equipment, and grants; and

WHEREAS, on November 4, 2014, following a competitive bidding process, the Board authorized agreements between the District and three information technology consulting firms: Agilis Group Inc., Matisia Inc., and ACME Business Consulting LLC for As-Needed Information Technology "Project Management Office Services"; and

WHEREAS, during the execution of the Agreements, ACME Business Consulting was purchased by a competing consulting firm, the agreement with ACME Business Consulting was formally assigned to and assumed by Excelerate LLC, and the agreement with Matisia Inc. was terminated due to the lack of responsiveness from the firm; and

WHEREAS, the firms provide a complete range of professional consulting services to support the Information Technology Department's project efforts including providing program and project management services and supply concepts for the organization; and

WHEREAS, the Agreements are necessary to allow the Information Technology Department to fill resource and staffing gaps created by temporary project work; and

WHEREAS, at the time of initial selection of the firms, the District's Information Technology (IT) Department was in its second year of implementing

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a 5-year technology strategic plan (Strategic Plan) which laid out a roadmap of strategic technology initiatives that had four primary goals: 1) create more transparency with the public, 2) modernize the District's physical and virtual infrastructure, 3) augment District security systems, and 4) create operational efficiencies; and

WHEREAS, the Agreements helped District Staff execute many of the projects identified in the roadmap, such as implementation of 9 new systems: 1) Electronic Legal Discovery solution, 2) Automated Board Agenda application, 3) SAP Business Objects for Financial Reporting solution, 4) Transient Vessel Permitting system, 5) Board Room Equipment Refresh, 6) Enterprise Content Management System Replacement, 7) Replace Novell GroupWise with Microsoft Outlook, 8) Maritime Information System Replacement, and 9) Storage Area Network Replacement; and

WHEREAS, the District was also able to upgrade, enhance, or otherwise refresh: 1) Tenth Avenue Terminal Server Room Remediation, 2) Data Center HVAC Upgrade, 3) Access Control Upgrades, 4) Cisco VOIP Upgrade, 5) Windows 7 Upgrade, and allowed the District to implement the first iterations of an Information & Cyber Security Office; and

WHEREAS, completing these initiatives nearly exhausted the value of the Agreements while there were several more initiatives in progress that needed to be completed, and as a result, on January 9, 2018, the Board authorized amendments to the Agreements increasing the aggregate not-to-exceed amount payable under the Agreements by \$1,080,000 for a new aggregate amount payable under the Agreements of \$2,280,000, in order for the District to complete the following Projects:

- Cyber Security Remediation – *In Progress*
- Implement an Information Security Program – *In Progress*
- Implement a Co-Location Center and Disaster Recovery – *In Progress*
- Replace the Novell Integrated Database Management System – *In Progress*
- Document Management System Front End Replacement – *In Progress*
- Intranet Redevelopment – *In Progress*

WHEREAS, the District has used the firms to provide short term expertise like Project Managers, Chief Information Security Officers as well as longer term resources like Enterprise Architects and SharePoint Developers; and

WHEREAS, District Staff is, now, requesting an increase to the aggregate not-to-exceed amount payable under the Agreements to assist in the implementation of efforts approved by the Board with the adoptions of the FY2018/2019 budget; and

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WHEREAS, this increase is critical to augment and strengthen the District's Cyber Security posture, which, include the following initiatives:

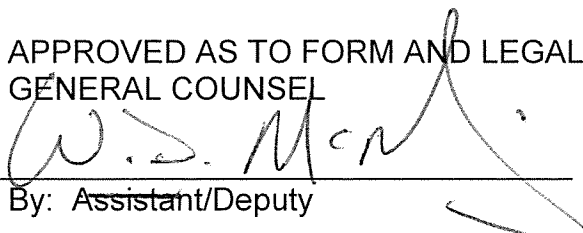
- Implement a Configuration Management System
- Implement a Cyber Security Governance Plan
- Implement Centralized Network Authentication
- Implement Multi-factor Authentication and Authorization
- Segment the Network to Comply with the FBI's Criminal Justice Information Services (CJIS) Requirements
- Encrypt Mobile Devices
- Implement a Privileged Access Management System
- Implement Integrated Access Control and Video

WHEREAS, District Staff is requesting the Board authorize Amendment No. 2 to the Agreement with Agilis Goup and Amendment No. 4 to the Agreement with Excelerate LLC to increase the maximum aggregate amount payable under the agreements by \$1,945,000, for a new total aggregate amount payable under the agreements of \$4,225,000, in order to provide the project resources necessary for the District to achieve critical Cyber Security objectives identified in the FY18/19 Technology Management Program Budget and beyond.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That the Executive Director or her designated representative is hereby authorized and directed on behalf of the San Diego Unified Port District, to enter into Amendment No. 2 to the Agreement with Agilis Group Inc. and Amendment No. 4 to the Agreement with Excelerate LLC for project management office services increasing the total aggregate amount payable under the agreements by \$1,945,000 for a new total aggregate amount payable under the agreements not-to-exceed \$4,225,000 through November 4, 2019.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL


By: Assistant/Deputy

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PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 14th day of August, 2018, by the following vote:

AYES: Bonelli, Castellanos, Malcolm, Moore, Valderrama, and Zucchet

NAYS: None.

EXCUSED: Merrifield

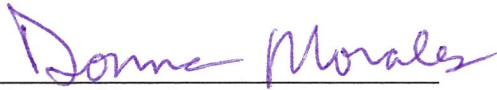
ABSENT: None.

ABSTAIN: None.



Rafael Castellanos, Chairman
Board of Port Commissioners

ATTEST:



Donna Morales
District Clerk

(Seal)



(13)
San Diego Unified Port District

Item No. 1

Resolution No. 2018-136

File #:2018-0259

DATE: August 14, 2018

SUBJECT:

RESOLUTION AUTHORIZING AMENDMENT NO. 2 WITH AGILIS GROUP INC. AND AMENDMENT NO. 4 WITH EXCELERATE LLC. FOR PROJECT MANAGEMENT OFFICE SERVICES INCREASING THE TOTAL AGGREGATE AMOUNT PAYABLE UNDER THE AGREEMENTS BY \$1,945,000 FOR A NEW AGGREGATE AMOUNT PAYABLE UNDER THE AGREEMENTS NOT-TO-EXCEED \$4,225,000 THROUGH NOVEMBER 4, 2019. FY2019 EXPENDITURES, IF NEEDED, ARE BUDGETED. FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET

EXECUTIVE SUMMARY:

On November 4, 2014, following a competitive bidding process, the Board authorized agreements between the District and three information technology consulting firms: Agilis Group Inc., Matisia Inc. (terminated due to the lack of responsiveness from the firm), and ACME Business Consulting LLC. (which has been formally assigned and assumed by Excelerate LLC.) for "As-Needed Information Technology Project Management Office Services" (Agreements). The Agreements have an aggregate maximum expenditure limit. The District selected these firms based upon interviews of responsive bidders to Request for Qualifications number 14-27 (RFQ 14-27). The firms provide a complete range of professional consulting services to support the Information Technology department's project efforts supplying the District with key short-term or part-time expertise as well as interim resources to bridge capacity and demand gaps.

The District leveraged the Agreements to help District Staff execute many of the projects identified in a 5-year technology strategic plan (Strategic Plan), which sought to create more transparency with the public, modernize the District's physical and virtual infrastructure, augment District security systems, and create operational efficiencies. The Strategic Plan concluded in 2017.

Following the conclusion of the Strategic Plan, key projects were undertaken in the Technology Management Program to augment the goals identified in the Strategic Plan. To support these projects, on January 9th, 2018, the Board authorized amendment No one (1) to the agreement with Agilis Group and amendment No. two (2) to the Agreement with Excelerate LLC, increasing the total aggregate amount payable under the agreements by \$1,080,000 for a total of \$2,280,000. Additional amendments were authorized for Excelerate LLC. which did not require BPC action.

Staff is requesting the Board authorize amendment No. 2 to the agreement with Agilis Group and amendment No. 4 to the agreement with Excelerate LLC. to increase the maximum aggregate

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amount payable under the agreements by \$1,945,000, for a new total aggregate amount payable under the agreements of \$4,225,000. The amendments will provide the project resources necessary for the District to achieve critical Cyber Security objectives identified in the FY2018/2019 Technology Management Program Budget and beyond.

RECOMMENDATION:

Adopt a Resolution authorizing Amendment No. 2 with Agilis Group Inc. and Amendment No. 4 with Excelerate LLC. for Project Management Office Services increasing the total aggregate amount payable under the agreements by \$1,945,000 for a new total aggregate amount payable under agreements not-to-exceed \$4,225,000 through November 4, 2019.

FISCAL IMPACT:

The proposed combined agreement amendment amount of \$1,945,000 with Agilis Group Inc. and Excelerate LLC. increases the total combined agreement amount from \$2,280,000 to \$4,225,000. Staff proposes to fund a portion of this amendment from the FY2018/2019 Technology Management Program budget.

Funds required for future fiscal years will be budgeted for in the appropriate year subject to Board approval upon adoption of each fiscal year's budget.

Cash Requirement Forecast	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Services - Professional & Other	\$ 1,390,000	555,000	-	-	-
	\$ 1,945,000	Total Cash Requirement			

COMPASS STRATEGIC GOALS:

Authorizing amendments to the Agreements will allow the District to continue to drive key technology solutions forward that will create more transparency, modernize the District's physical and virtual infrastructure, augment District security systems, and create operational efficiencies. Thereby, this agenda item supports the following Strategic Goal(s)

- A Port that the public understands and trusts.
- A thriving and modern maritime seaport.
- A Port that is a safe place to visit, work and play.
- A Port with an innovative and motivated workforce.

DISCUSSION:

On November 4, 2014, following a competitive bidding process, the Board authorized agreements between the District and three information technology consulting firms: Agilis Group Inc., Matisia Inc., and ACME Business Consulting LLC. for "As-Needed Information Technology Project Management Office Services". The Agreements have a combined maximum expenditure limit. The District selected these firms based upon interviews of responsive bidders to Request for Qualifications

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number 14-27 (RFQ 14-27).

During the execution of the Agreements, ACME Business Consulting was purchased by a competing consulting firm and the agreement with ACME Business Consulting was formally assigned to and assumed by Excelerate LLC. Additionally, the agreement with Matisia Inc. was terminated due to the lack of responsiveness from the firm.

Under the Agreements, the firms provide a complete range of professional consulting services to support the Information Technology Department's project efforts including providing program and project management services and supply concepts for the organization. Additionally, these as-needed Agreements are necessary to allow the Information Technology Department to fill resource and staffing gaps created by temporary project work in the following ways:

1. Needed skills and proficiencies that are not currently staffed as FTE because the expertise is not required on a full-time or permanent basis, but rather temporarily necessary to bridge gaps or lay the foundation for project execution.
2. Needed skills and proficiencies that are not currently staffed as FTE because the expertise is not required on a full-time basis but *is* required for long-term, as-needed, indefinite engagements that support project execution and outcomes
3. Needed skills and proficiencies that are mirrored in equivalent full-time permanent staff; however, the demand for such expertise outweighs the capacity of current FTE. In such cases additional people may be brought in to fill the demands created by temporary project requirements.

At the time of award, the District's Information Technology (IT) Department was in its second year of implementing a 5-year technology strategic plan (Strategic Plan) which laid out a roadmap of strategic technology initiatives that had four primary goals: 1) create more transparency with the public, 2) modernize the District's physical and virtual infrastructure, 3) augment District security systems, and 4) create operational efficiencies. More than 40 projects were identified in the Strategic Plan, which concluded in 2017.

The District leveraged the Agreements to help District Staff execute many of the projects identified in the roadmap. The Agreements enabled the District to implement 9 new systems (Electronic Legal Discovery solution, Automated Board Agenda application, SAP Business Objects for Financial Reporting solution, Transient Vessel Permitting system, Board Room Equipment Refresh, Enterprise Content Management System Replacement, Replace Novell GroupWise with Microsoft Outlook, Maritime Information System Replacement, Storage Area Network Replacement). The District was also able to upgrade, enhance, or otherwise refresh 5 more (Tenth Avenue Terminal Server Room Remediation, Data Center HVAC Upgrade, Access Control Upgrades, Cisco VOIP Upgrade, Windows 7 Upgrade). Additionally, it allowed the District to implement the first iterations of an Information & Cyber Security Office.

Completing these initiatives nearly exhausted the value of the Agreements while there were several more initiatives in progress that needed to be completed. Therefore, at the January 17, 2018 Board meeting, staff requested, and the Board approved, amendment No. 1 with Agilis Group and

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amendment No. 2 with Excelerate LLC. to the Agreements increasing the combined not-to-exceed value by \$1,080,000 to a total of \$2,280,000. This amendment was intended to allow the District to complete the following Projects:

- Cyber Security Remediation - *In Progress*
- Implement an Information Security Program - *In Progress*
- Implement a Co-Location Center and Disaster Recovery - *In Progress*
- Replace the Novell Integrated Database Management System - *In Progress*
- Document Management System Front End Replacement - *In Progress*
- Intranet Redevelopment - *In Progress*

The District has used the firms to provide short term expertise like Project Managers, Chief Information Security Officers as well as longer term expertise like Enterprise Architects and SharePoint Developers. These functions provide the necessary foundation to continue to move forward with the above projects. These projects are wholly resourced through the duration of each effort; however, these resources have also fully leveraged the additional funds authorized by the Board in January 2018.

Staff is, now, requesting a third increase to the aggregate not-to-exceed amount payable under the Agreements to assist in the implementation of efforts approved by the Board with the adoption of the FY2018/2019 budget. This increase is critical to augment and strengthen the District's Cyber Security posture, which, include the following initiatives:

- Implement a Configuration Management System
- Implement a Cyber Security Governance Plan
- Implement Centralized Network Authentication
- Implement Multi-factor Authentication and Authorization
- Segment the Network to Comply with the FBI's Criminal Justice Information Services (CJIS) Requirements
- Encrypt Mobile Devices
- Implement a Privileged Access Management System
- Implement Integrated Access Control and Video

The proposed amendment will increase the aggregate not-to-exceed amount payable under the Agreements by \$1,945,000 for a new total aggregate amount payable under the agreements of \$4,225,000. This will be used to provide short-term resources for Project Management, Database Administration, Enterprise Architecture, Network Administration, and long-term System Administration and Security Operations Analysis expertise.

Funds for the first year of this expenditure are budgeted for in FY 2018/2019 Technology Management Program. Funds required for future fiscal years will be budgeted for in the appropriate fiscal year and subject to Board approval upon adoption of each fiscal year's budget.

For the reasons discussed above, District Staff recommends that the Board authorize amendment No 2 to the agreement with Agilis Group and amendment No. 4 to the agreement with Excelerate LLC.

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increasing the total aggregate amount payable under the agreements by \$1,945,000 for a new aggregate amount payable under the agreements not-to-exceed \$4,225,000 through November 4, 2019, to provide the project resources necessary for the District to achieve critical Cyber Security objectives.

General Counsel's Comments:

The Office of the General Counsel has reviewed the issues set forth in this agenda and found no legal concerns as presented, and has reviewed and approved the amendments as to form and legality.

Environmental Review:

The proposed Board direction or action, including without limitation, authorizing an amendment to an agreement for project management services, does not constitute a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because no direct or indirect changes to the physical environment would occur. CEQA requires that the District adequately assess the environmental impacts of projects and reasonably foreseeable activities that may result from projects prior to the approval of the same. Any project developed as a result of Board's action or direction that requires the District or the Board's discretionary approval resulting in a physical change to the environment will be analyzed in accordance with CEQA prior to such approval. CEQA review may result in the District, in its sole and absolute discretion, requiring implementation of mitigation measures, adopting an alternative, including without limitation, a "no project alternative" or adopting a Statement of Overriding Consideration, if required. The current Board direction in no way limits the exercise of this discretion. Therefore, no further CEQA review is required.

In addition, the proposed Board action complies with Sections 21 and 81 of the Port Act, which allow for the Board to pass ordinances and resolutions, and use District funds for expenses of conducting the District. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board direction or action does not allow for "development," as defined in Section 30106 of the California Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit (CDP) Regulations because they will not result in, without limitation, a physical change, change in use or increase the intensity of uses. Therefore, issuance of a Coastal Development Permit or exclusion is not required. However, development within the District requires processing under the District's CDP Regulations. Future development, as defined in Section 30106 of the Coastal Act, will remain subject to its own independent review pursuant to the District's certified CDP Regulations, PMP, and Chapters 3 and 8 of the Coastal Act. The Board's direction or action in no way limits the exercise of the District's discretion under the District's CDP Regulations. Therefore, issuance of a CDP or exclusion is not required at this time.

Equal Opportunity Program:

Due to limited know sub opportunities, no small business goal was established for the agreement.

PREPARED BY:

File #:2018-0259

Chrissy Joslin
Project Manager, Information Technology

Attachment(s):

Attachment A: Amendment No. 4 to Agreement with Excelerate LLC.

Attachment B: Amendment No. 2 to Agreement with Agilis Group Inc.

**AMENDMENT NO. 4 TO AGREEMENT BETWEEN
SAN DIEGO UNIFIED PORT DISTRICT
and
EXCELERATE, LLC
for
AS NEEDED PROJECT MANAGEMENT OFFICE (PMO) SERVICES
AGREEMENT NO. 156-2014**

The parties to this Amendment No. 4 to Agreement are the SAN DIEGO UNIFIED PORT DISTRICT, a public corporation (District) and EXCELERATE, LLC, a California Limited Liability Corporation (Service Provider).

Recitals:

District and Service Provider are parties to an Agreement for As Needed Project Management Office (PMO) Services. The agreement is on file in the Office of the District Clerk as Document No. 62695 dated December 18, 2014, as amended by Assignment and Assumption Agreement between Acme Business Consulting, LLC. and Excelerate, LLC., Document No. 65787 dated November 14, 2016, as amended by Amendment No. 1, Document No. 65872 dated December 13, 2016, as amended by Amendment No. 2, Document No. 67686 dated January 18, 2018, and as amended by Amendment No. 3, Document No. 68389 dated May 10, 2018. It is now proposed to increase the aggregate amount of Agreement with Service Provider and Agreement with Agilis Group Inc. dba AgilisIT, District Clerk No. 62696 by \$1,945,000.00 from a total of \$2,280,000.00 to \$4,225,000.00. Agreement with Matisia Inc. dba Matisia Consulting, District Clerk Document No. 62694 has been terminated and therefore no longer party to the aggregate amount.

The Parties Agree:

1. Section 3.a, MAXIMUM EXPENDITURE, shall be replaced with the following:
 - a. **Maximum Expenditure.** The aggregate amount of Agreement with Service Provider and Agreement with Agilis Group Inc. dba AgilisIT, District Clerk Document No. 62696, collectively shall not exceed

\$3,925,000.00. Two 1-year options may be granted at the District's sole discretion. The aggregate maximum amount of Option Year 1, if granted shall not exceed \$150,000.00 and the aggregate maximum amount of Option Year 2 shall not exceed \$150,000.00. The maximum aggregate expenditure of the above Agreements shall not exceed \$4,225,000.00. Agreement with Matisia Inc. dba Matisia Consulting, District Clerk Document No. 62694 has been terminated and therefore no longer party to the aggregate amount.

2. All other terms, covenants, and conditions in the original Agreement shall remain in full force and effect and shall be applicable to this Amendment.

SAN DIEGO UNIFIED PORT DISTRICT

EXCELERATE, LLC

Keith Coffey
Chief Technology Officer

Nilay Thakkar
President

Approved as to form and legality:
GENERAL COUNSEL

By: Assistant/Deputy

A manually signed copy of this Amendment transmitted by email or any other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

**AMENDMENT NO. 2 TO AGREEMENT BETWEEN
SAN DIEGO UNIFIED PORT DISTRICT
and
AGILIS GROUP INC.
DBA
AGILISIT
for
AS NEEDED PROJECT MANAGEMENT OFFICE (PMO) SERVICES
AGREEMENT NO. 157-2014**

The parties to this Amendment No. 2 to Agreement are the SAN DIEGO UNIFIED PORT DISTRICT, a public corporation (District) and AGILIS GROUP, DBA AGILISIT, a California Corporation (Service Provider).

Recitals:

District and Service Provider are parties to an Agreement for As Needed Project Management Office (PMO) Services. The agreement is on file in the Office of the District Clerk as Document No. 62696 dated December 14, 2014, as amended by Amendment No. 1, Document No. 67687 dated January 18, 2018. It is now proposed to increase the aggregate amount of Agreement with Service Provider and Agreement with ACME Business Consulting, LLC (assigned to Excelerate, LLC), District Clerk No. 62695 by \$1,945,000.00 from a total of \$2,280,000.00 to \$4,225,000.00. Agreement with Matisia Inc. dba Matisia Consulting, District Clerk Document No. 62694 has been terminated and therefore no longer party to the aggregate amount.

The Parties Agree:

1. Section 3.a, MAXIMUM EXPENDITURE, shall be replaced with the following:
 - a. **Maximum Expenditure.** The aggregate amount of Agreement with Service Provider and Agreement with ACME Business Consulting, LLC (assigned to Excelerate, LLC), District Clerk Document No. 62695, collectively shall not exceed \$3,925,000.00. Two 1-year options may be granted at the District's sole discretion. The aggregate maximum amount of Option Year 1, if granted shall not exceed \$150,000.00 and the aggregate maximum amount of Option

Year 2 shall not exceed \$150,000.00. The maximum aggregate expenditure of the above Agreements shall not exceed \$4,225,000.00. Agreement with Matisia Inc. dba Matisia Consulting, District Clerk Document No. 62694 has been terminated and therefore no longer party to the aggregate amount.

2. All other terms, covenants, and conditions in the original Agreement shall remain in full force and effect and shall be applicable to this Amendment.

SAN DIEGO UNIFIED PORT DISTRICT

AGILIS GROUP INC. DBA AGILISIT

Keith Coffey
Chief Technology Officer

Joyce Tang
President

Approved as to form and legality:
GENERAL COUNSEL

By: Assistant/Deputy

A manually signed copy of this Amendment transmitted by email or any other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION AUTHORIZING AMENDMENT NO. 2
WITH AGILIS GROUP INC. AND AMENDMENT NO.
4 WITH EXCELERATE LLC FOR PROJECT
MANAGEMENT OFFICE SERVICES INCREASING
THE TOTAL AGGREGATE AMOUNT PAYABLE
UNDER THE AGREEMENTS BY \$1,945,000 FOR A
NEW AGGREGATE AMOUNT PAYABLE UNDER
THE AGREEMENTS NOT-TO-EXCEED \$4,225,000
THROUGH NOVEMBER 4, 2019**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1, (Port Act); and

WHEREAS, the Board of Port Commissioners (BPC) adopted BPC Policy No. 110 to establish a policy governing the processing and administration of public projects, consulting and service agreements, the purchasing of supplies, materials, and equipment, and grants; and

WHEREAS, on November 4, 2014, following a competitive bidding process, the Board authorized agreements between the District and three information technology consulting firms: Agilis Group Inc., Matisia Inc., and ACME Business Consulting LLC for As-Needed Information Technology "Project Management Office Services"; and

WHEREAS, during the execution of the Agreements, ACME Business Consulting was purchased by a competing consulting firm, the agreement with ACME Business Consulting was formally assigned to and assumed by Excelerate LLC, and the agreement with Matisia Inc. was terminated due to the lack of responsiveness from the firm; and

WHEREAS, the firms provide a complete range of professional consulting services to support the Information Technology Department's project efforts including providing program and project management services and supply concepts for the organization; and

WHEREAS, the Agreements are necessary to allow the Information Technology Department to fill resource and staffing gaps created by temporary project work; and

WHEREAS, at the time of initial selection of the firms, the District's Information Technology (IT) Department was in its second year of implementing

20xx-xxx

a 5-year technology strategic plan (Strategic Plan) which laid out a roadmap of strategic technology initiatives that had four primary goals: 1) create more transparency with the public, 2) modernize the District's physical and virtual infrastructure, 3) augment District security systems, and 4) create operational efficiencies; and

WHEREAS, the Agreements helped District Staff execute many of the projects identified in the roadmap, such as implementation of 9 new systems: 1) Electronic Legal Discovery solution, 2) Automated Board Agenda application, 3) SAP Business Objects for Financial Reporting solution, 4) Transient Vessel Permitting system, 5) Board Room Equipment Refresh, 6) Enterprise Content Management System Replacement, 7) Replace Novell GroupWise with Microsoft Outlook, 8) Maritime Information System Replacement, and 9) Storage Area Network Replacement; and

WHEREAS, the District was also able to upgrade, enhance, or otherwise refresh: 1) Tenth Avenue Terminal Server Room Remediation, 2) Data Center HVAC Upgrade, 3) Access Control Upgrades, 4) Cisco VOIP Upgrade, 5) Windows 7 Upgrade, and allowed the District to implement the first iterations of an Information & Cyber Security Office; and

WHEREAS, completing these initiatives nearly exhausted the value of the Agreements while there were several more initiatives in progress that needed to be completed, and as a result, on January 9, 2018, the Board authorized amendments to the Agreements increasing the aggregate not-to-exceed amount payable under the Agreements by \$1,080,000 for a new aggregate amount payable under the Agreements of \$2,280,000, in order for the District to complete the following Projects:

- Cyber Security Remediation – *In Progress*
- Implement an Information Security Program – *In Progress*
- Implement a Co-Location Center and Disaster Recovery – *In Progress*
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- Intranet Redevelopment – *In Progress*

WHEREAS, the District has used the firms to provide short term expertise like Project Managers, Chief Information Security Officers as well as longer term resources like Enterprise Architects and SharePoint Developers; and

WHEREAS, District Staff is, now, requesting an increase to the aggregate not-to-exceed amount payable under the Agreements to assist in the implementation of efforts approved by the Board with the adoptions of the FY2018/2019 budget; and

20xx-xxx

WHEREAS, this increase is critical to augment and strengthen the District's Cyber Security posture, which, include the following initiatives:

- Implement a Configuration Management System
- Implement a Cyber Security Governance Plan
- Implement Centralized Network Authentication
- Implement Multi-factor Authentication and Authorization
- Segment the Network to Comply with the FBI's Criminal Justice Information Services (CJIS) Requirements
- Encrypt Mobile Devices
- Implement a Privileged Access Management System
- Implement Integrated Access Control and Video

WHEREAS, District Staff is requesting the Board authorize Amendment No. 2 to the Agreement with Agilis Goup and Amendment No. 4 to the Agreement with Excelerate LLC to increase the maximum aggregate amount payable under the agreements by \$1,945,000, for a new total aggregate amount payable under the agreements of \$4,225,000, in order to provide the project resources necessary for the District to achieve critical Cyber Security objectives identified in the FY18/19 Technology Management Program Budget and beyond.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That the Executive Director or her designated representative is hereby authorized and directed on behalf of the San Diego Unified Port District, to enter into Amendment No. 2 to the Agreement with Agilis Group Inc. and Amendment No. 4 to the Agreement with Excelerate LLC for project management office services increasing the total aggregate amount payable under the agreements by \$1,945,000 for a new total aggregate amount payable under the agreements not-to-exceed \$4,225,000 through November 4, 2019.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 14th day of August, 2018, by the following vote: