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Title: RESOLUTION AUTHORIZING AMENDMENT NO. 6 TO AGREEMENT WITH EXCELERATE LLC TO PROVIDE INFORMATION TECHNOLOGY PROJECT MANAGEMENT OFFICE (PMO) SERVICES, INCREASING THE AGREEMENT AMOUNT BY \$1,500,000 TO A NEW NOT-TO-EXCEED AMOUNT OF \$5,429,024 AND EXTENDING THE TERM THROUGH 12/31/2020. FUNDS FOR FY2020 ARE BUDGETED IN THE TECHNOLOGY MANAGEMENT PROGRAM EXPENSE. FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON THE ADOPTION OF EACH FISCAL YEAR'S BUDGET.

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Attachments: 1. 10. 2020-0058 Attachment A, 2. 10. 2020-0058 Attachment B, 3. 10. 2020-0058 Attachment C, 4. 10. 2020-0058 Attachment D, 5. 10. 2020-0058 Attachment E, 6. 10. 2020-0058 Attachment F, 7. 10. 2020-0058 Attachment G, 8. 10. 2020-0058 Attachment H, 9. 10. 2020-0058 Draft Resolution

Date	Ver.	Action By	Action	Result
3/10/2020	1	Board of Port Commissioners	adopted	

DATE: March 10, 2020

SUBJECT:

RESOLUTION AUTHORIZING AMENDMENT NO. 6 TO AGREEMENT WITH EXCELERATE LLC TO PROVIDE INFORMATION TECHNOLOGY PROJECT MANAGEMENT OFFICE (PMO) SERVICES, INCREASING THE AGREEMENT AMOUNT BY \$1,500,000 TO A NEW NOT-TO-EXCEED AMOUNT OF \$5,429,024 AND EXTENDING THE TERM THROUGH 12/31/2020. FUNDS FOR FY2020 ARE BUDGETED IN THE TECHNOLOGY MANAGEMENT PROGRAM EXPENSE. FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON THE ADOPTION OF EACH FISCAL YEAR'S BUDGET.

EXECUTIVE SUMMARY:

On November 4, 2014, following a competitive bidding process, the Board of Port Commissioners (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 District selected these firms based upon interviews of responsive bidders to Request for Qualifications number 14-27 (RFQ 14-27). The agreements had a combined maximum expenditure limit.

Under the agreements, the firms provided a complete range of professional consulting services to support the Information Technology Department's project implementation efforts including providing

program and project management and related services for the District. The agreements enabled the District to implement nine new systems and upgrade, enhance, or otherwise refresh five existing systems.

Since then, the agreement with Agilis Group Inc., was terminated at the request of the Service Provider and the agreement with Matisia Inc. was terminated due to lack of responsiveness. Further, the agreement with ACME Business Consulting was formally assigned to and assumed by Excelerate LLC. Current and planned Information Technology initiatives needed to achieve strategic plans require ongoing project management services. Staff prepared the elements of a competitive process to replace the existing agreements.

Staff recommends authorizing Amendment No. 6 to the agreement with Excelerate LLC which will sustain the District portfolio of technology initiatives until a new competition is completed.

RECOMMENDATION:

Adopt a Resolution authorizing Amendment No. 6 to Agreement with Excelerate LLC increasing the amount by \$1,500,000 for a new not-to-exceed amount of \$5,429,024 and extend the term through December 31, 2020.

FISCAL IMPACT:

The approved FY 2020 Technology Management Program expense budget includes \$516,000 for these services. Staff estimates that the \$984,000 remaining amount from this proposed agreement amendment of \$1,500,000 will be incurred in FY 2021.

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

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- 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.
- A financially sustainable Port that drives job creation and regional economic vitality.

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 number 14-27 (RFQ 14-27).

Under the agreements, the firms were to 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 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 full-time equivalents 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 full-time equivalents 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 staff. 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 Strategic Plan. The Agreements enabled the District to implement nine new systems and upgrade, enhance, or otherwise refresh five more.

- 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 Implementation
- Replace Novell GroupWise with Microsoft Outlook
- Maritime Information System Replacement
- Storage Area Network Replacement.
- Tenth Avenue Terminal Server Room Remediation
- Data Center HVAC Upgrade
- Access Control Upgrades
- Cisco VOIP Upgrade
- Windows 7 Upgrade.

Most notably, perhaps, the Agreements allowed the District to implement the first iterations of an

Information & Cyber Security Office and assisted the District in its recovery efforts following a Cyber Security incident in September of 2018.

The recommended Amendment No. 6 will allow the District to continue execution on the following efforts:

- Document Management System Front End Replacement
- Implement Enterprise Analytics
- Implement Enterprise Asset Management
- Enterprise Intune Deployment
- Harbor Police Department Data Center Move
- Implement Customer Relationship Management System
- Lease Management System Initiation
- Implement IT Governance Roadmap
- Complete Network Segmentation
- Restore Remaining Services Disrupted by Cyber Event
- Voice Over Internet Protocol Replacement
- Wireless System Refresh

After execution of the three agreements, the agreement with Agilis Group Inc., was terminated at the request of the Service Provider and the agreement with Matisia Inc. was terminated due to lack of responsiveness. Further, the agreement with ACME Business Consulting was formally assigned to and assumed by Excelerate LLC.

Current and planned Information Technology initiatives needed to achieve strategic goals require ongoing project management services. Staff prepared the elements of a competitive process to replace the existing agreements and are assessing our alignment with a broadly-scoped solicitation by the City of San Diego that is anticipated to be completed by late summer, 2020. The proposed amendment will sustain the District portfolio of technology initiatives until a new solicitation is complete.

General Counsel's Comments:

The Office of the General Counsel has reviewed and approved this agenda, the proposed amendment, and resolution, as presented, as to form an legality.

Environmental Review:

The proposed Board action 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 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 proposed Board action in no way limits the exercise of this discretion. Therefore, no further CEQA review is required.

The proposed Board action complies with sections 21, 35, and 81 of the Port Act, which allow the Board to pass resolutions and to do all acts necessary and convenient for the exercise of its powers, and to 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 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 it 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 proposed Board 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 known sub opportunities, no SBE goal was established for this agreement.

PREPARED BY:

Chrissy Joslin, Program Manager
Information Technology Department

Attachment(s):

- Attachment A: Agreement with ACME Business Consulting
- Attachment B: Assignment and Assumption
- Attachment C: Amendment No. 1
- Attachment D: Amendment No. 2
- Attachment E: Amendment No. 3
- Attachment F: Amendment No. 4
- Attachment G: Amendment No. 5
- Attachment H: Draft Amendment No. 6