



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 4g

**ACTION ITEM**

**Date of Meeting** September 12, 2017

**DATE:** September 5, 2017

**TO:** Dave Soike, Interim Executive Director

**FROM:** Peter Garlock, Chief Information Officer

**SUBJECT:** PeopleSoft Consulting Services for future technology projects

**Amount of this request:** \$0

**Maximum Contract Value:** \$3,500,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute an indefinite delivery, indefinite quantity (IDIQ) contract for PeopleSoft functional and technical services in the amount of \$3,500,000 with a contract duration of four years and an ordering period of four years in support of upcoming capital improvement and major expense projects impacting the Port's Financial and Human Capital Management Systems. There is no budget request associated with this authorization.

**EXECUTIVE SUMMARY**

Over the next several years, Information & Communication Technology (ICT) forecasts several projects that will require updates, interfaces or modifications to our PeopleSoft Financials and Human Capital Management (HCM) systems. This includes a planned PeopleSoft Financials Upgrade and numerous Financials and HCM projects to improve efficiency and support workforce development. Funding for these projects will be approved in separate authorizations. Procuring a PeopleSoft services IDIQ contract will allow the Port to meet the needs of the planned projects in a timely and more cost-effective manner.

IDIQ contracts provide the Port with the flexibility to meet business requirements as they arise by issuing individual service directives to accomplish tasks within a general, pre-defined scope of work on an as needed basis for a fixed period of time and a maximum contract amount.

Competitively procured IDIQ contracts are a widely used public sector contracting tool, and are consistent with the Port's Resolution No. 3605, as amended by Resolution No. 3628, and governed by CPO-1 policy. Budgets to utilize these contracts will come separately from either annual operating budget or individual project authorizations. A ten percent small business opportunity will be included in this procurement and the project manager will work with the Small Business team in outreach to small and women and minority-owned businesses.

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### **DETAILS**

PeopleSoft consulting services may consist of functional resources for project management, requirements analysis, configuration, testing, and documentation or technical resources for development, system administration, and configuration.

#### ***Scope of Work and Schedule***

Service directives will be written with stipulated not-to-exceed amounts and will identify the scope of services. The contract will have a duration of four years; however, because there is a four-year ordering period, the contract duration may be extended to allow for work initiated during the contract ordering period to be fully implemented. Each service directive will specify the specific scope, duration, and schedule associated with the work.

### **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Prepare separate procurement each time PeopleSoft services are required

Cost Implications: \$135,000

Pros:

- (1) Separate contract procurements would allow consulting firms multiple opportunities to compete for each individual project.

Cons:

- (1) This alternative would increase overhead and administrative costs to the Port as we would need to manage more procurement processes and contracts.
- (2) Months would be added to each individual project to complete a procurement process, impacting our ability to quickly react to emerging business requirements.

This is not the recommended alternative.

**Alternative 2** – Increase Port Staff to provide functional and technical PeopleSoft services

Cost Implications: \$1,300,000

Cons:

- (1) It will take significant time to hire staff with the necessary skill sets. This would delay critical projects.
- (2) New Port Staff would need to have a broad set of specific skills which would be difficult to acquire in a manageable number of additions. Consultants have staff with these skills and can utilize them on an hour by hour basis as needed.

This is not the recommended alternative.

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**Alternative 3** – Procure an IDIQ contract with a single vendor to provide PeopleSoft Consulting services.

Cost Implications: \$0

Pros:

- (1) This alternative would ensure the Port has the functional or technical resources with the necessary skills to assist with future projects as needed.
- (2) Significant time and procurement cost would be saved by consolidating procurements for future projects.
- (3) Port organizations can react more quickly to emerging business requirements.

Cons:

- (1) The number of opportunities available to firms to compete for individual projects is limited.

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

The total estimated project services will not exceed \$3,500,000. No work is guaranteed to the consultants and the Port is not obligated to pay the consultant until a service directive is executed and services are provided. After receiving authorization for each project in accordance with Port policy, the actual work will be fully defined and the Port will issue individual project-specific service directives.

**ATTACHMENTS TO THIS REQUEST**

None

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

March 3, 2014 – The Commission authorized the execution of an IDIQ contract for PeopleSoft Consulting services in the amount of \$2,000,000.