

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6e

Date of Meeting November 23, 2009

DATE: November 5, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: Peter Garlock, Chief Information Officer
Kim Albert, Senior Manager, ICT Business Services

REQUEST: Authorization for the Chief Executive Officer to execute a series of three year Indefinite Delivery, Indefinite Quantity - ICT Master Service Agreements to hire temporary information technology contractors as needed to support systems, projects, and services for an amount not to exceed \$11 million.

SYNOPSIS

ICT requests authorization to execute multiple contracts to replace our expiring three year Master Service Agreements (MSAs). The total cost for all contracts shall not exceed \$11 million and the contracts shall be for a maximum of three years. These contracts will enable us to quickly hire temporary information technology contractors whenever needed to support short term requirements. Our current MSAs will expire in December 2009.

BACKGROUND

The Information and Communication Technology (ICT) Department intermittently hires information technology contractors when specific services or unique technical skills are required. In the past, examples of specialized systems skills have included PeopleSoft, Maximo, and SharePoint, as well as project management skills needed for large and complex projects such as Marine Domain Awareness, and Payroll & Benefits. Since contract resource requirements for these services and skills fluctuate with project work and with system maintenance requirements, it is impractical to hire full time staff to meet these needs. In December 2006, the Commission authorized ICT to utilize Master Service Agreements to streamline the process of hiring temporary contractors to supplement Port staff whenever needed to support, upgrade, or develop various Port information systems.

ICT currently has Master Service Agreements with 22 professional staffing vendors. These MSAs are Indefinite Delivery, Indefinite Quantity (IDIQ) contracts that significantly improve ICT's ability to promptly respond to new requirements and problems, while decreasing procurement costs. ICT has managed MSAs valued at over \$13 million in the past three years. We estimate that MSAs over the next three years will not exceed \$11 million.

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

November 05, 2009

Page 2 of 3

To establish an MSA with an outside professional staffing company, ICT follows a two step competitive process. The first step uses a procurement process to select qualified Information Technology staffing vendors who then enter into a Master Service Agreement with the Port. The second step occurs whenever a specific temporary staffing requirement is identified by ICT. When this occurs, a service directive (outlining specific skills and specific tasks to be performed) is issued to all vendors on the MSA list inviting them to respond to our requirement through a competitive selection process. This two step process ensures the Port gets the most qualified candidates at the lowest cost and in the shortest timeframe. ICT developed this innovative process in order to streamline the contracting of professional staffing resources whenever they are required. This process has worked well in managing over \$13 million in MSA service directives that have been issued over the past three years, including those issued to small businesses.

In the last three years we issued approximately 125 service directives to the MSA contracts. Average time for personal service procurement is 4 to 6 months. By establishing the MSA contracts, we perform a mini-competition among the MSA contracts, which takes substantially less time and allows ICT to be more responsive to Port technology requirements. Since the MSA holds the base contract documents, this process eliminates the need to obtain standard contract forms and insurance for each service directive.

PROJECT DESCRIPTION / SCOPE OF WORK

Project Statement

Through a formal competitive review and procurement process and CPO assistance, the ICT Department will replace our expiring three year IDIQ - ICT Master Service Agreements with outside professional staffing companies used when needed to support various ICT systems, projects, and services used by the Port.

Project Objective s/ Scope of Work

- Continue existing efficiencies in procuring information technology contractors.
- Reduce costs by leveraging the economies inherent in a single procurement vs. many.
- Procure MSA vendors pursuant to requirements of CPO-1. Each contract will terminate in three years with an overall not to exceed amount.
- When contractors are required, ICT will solicit proposals from among the MSA vendors. It will then issue a Service Directive to the vendor with the best proposed contractor.
- Individual Service Directives will specify name of contractor, scope of work, schedule, hourly rate and a not to exceed amount.

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

November 05, 2009

Page 3 of 3

FINANCIAL IMPLICATIONS

This is not a request for funding. All work authorized under an MSA will be paid from projects which are authorized pursuant to Resolution No. 3605 or from ICT expense funds approved in ICT's annual budget.