



Commission Meeting
Topic: Award Information Services Contract

Date of Commission Meeting: February 8, 2010
Location of Meeting: LOTT Board Room

Type of Action Requested:

- X Action (Advisory on January 11, 2010)
- Resolution
- X Advisory

Presented By: Jeri Sevier, Administrative Manager

Business Unit or Department: Executive Department

Director: Ed Galligan

Description/Background:

Staff advised the Commission on January 11, 2010 about the process for the Port's Request for Qualifications (RFQ) and Request for Proposals for IT Services. The Information Systems (IS) Team of the Port consists of individuals representing all business lines. This Team meets regularly to discuss the IT needs of the Port.

In the Fall of 2009 the Team discussed the need to competitively select the Information Technology Services provider, and to issue a Purchased Services Agreement for a term of one year, with an option to renew for 2 additional years. The IS Team recognized that not all Team members needed to be involved and a select group was formed for this purpose. Staff from the Engineering, Finance, Airport, Executive, and Marketing departments are represented in this smaller group.

A Request for Qualifications (RFQ) was developed; published in *The Olympian*, and posted to our website. In addition, ten companies received it via direct mail. Four firms responded. The Team used a selection matrix formula to score the qualifications of the respondents. Criteria for selection were included in the RFQ document, which were the same criteria used for scoring.

Following the scoring, three firms were selected by the team to be interviewed. The same three were then sent a Request for Proposal (RFP). Proposals were submitted by all three. The Team used a separate selection matrix formula to score the proposals, again using pre-established criteria that were included in the RFP.

The Team met on January 27th to evaluate the scores and have chosen a recommended service provider, based on qualifications, knowledge, risk assessment, and price. The recommended IS Services Provider is Port Computing, Incorporated (PCI).

One owner of PCI is the brother-in-law of the Port's IT Manager. The issue of a conflict of interest due to the relationship has been evaluated and determined that the IT manager will not receive any "beneficial gain", and has no "interest" in the contract. Controls have been placed into the management of the contract and there will be no opportunity for any official control or direction, in the IT Manager's official custody, for the personal or family benefit, gain, or profit.

In addition, the Port retained RSM McGladrey to provide the Port with a third party report on the process and conclusion. The report indicates that the Ategan proposal presentation appears superior; however, their lack of experience with the Linux operating system and Lotus Notes Domino has to be a factor in the overall decision process. Therefore, the current incumbent provider is the much safer choice given the steep learning curve and inherent risks associated with supporting a Linux and Lotus Notes environment.

Staff is currently negotiating the contract with the proposed contractual language and controls as follows:

1. The contract compensation schedule will consist of a monthly fixed fee for all current system maintenance and monitoring services. These services will be clearly defined in detail in the Contract, reducing the possibility of conflict of interpretation.
2. Any work performed outside of the standard monthly maintenance and monitoring will be treated as "special projects" and paid for at an hourly rate of \$85.00, as bid.
3. Special Project requests will be submitted by the department directors using a "IT request ticket" system, and evaluated by the IS Team, with approvals by the Finance Controller for budgeting purposes. The hours to complete the special project request will be estimated by the IT Services provider. The IT Manager will be responsible for monitoring all special requests to track budget against the total contract. Actual hours to perform the work will be tracked using the Lotus Notes Project Manager tool. The IT Manager will also be responsible for prioritizing the requests.
4. Invoices for special projects will be reviewed and approved by the requesting department and the IT Manager, using the Lotus Notes Project Manager Reporting tool to verify hours worked.
5. Monthly invoices for the standard monthly fee will be processed and approved by the IT Manager. In addition, the Executive Director will be the second reviewer/approver to each invoice.

Staff will have a final contract amount at the February 8th Commission meeting.

Recommended Action:

Staff requests the Commission's approval to award and execute Information Services Contract No. 2010-XX, to Port Computing, Inc., for an amount of \$XXXX.

Attachments:

Executive Director Approval: 