



## Request for City Council Committee Action from the Department of BIS

Date March 8, 2010

To: The Honorable Betsy Hodges, Chair, Ways and Means Committee

Subject: BIS Master Contract Program

Recommendation Recommend continuing the Master Contract program for another four-year period through 6/30/2014 for issuing master contracts up to \$2,500,000 with technology providers selected through the State of Minnesota RFP process for inclusion in their list of technology providers. No individual scope of work under these master contracts will exceed \$500,000 without formal Council approval.

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Submitted by Lynn C. Willenbring \_\_\_\_\_, 673-2927  
Chief Information Officer

Approved by Steven Bosacker \_\_\_\_\_  
City Coordinator

Presenter in Committee Lynn Willenbring

Policy Review Group   X   Not Applicable

Permanent Review Committee (PRC)   X   Awaiting Approval

### Prior Related Directives:

December 29, 2000 – Council permitted qualifying contractors to execute contracts with BIS for a three-year period with an additional one-year extension.

March 11, 2005 – Council authorized BIS to issue master contracts through the master contract vendor process for up to \$2,500,000.00 over a five-year period with technology providers selected through RFP process.

**Financial Impact:** None.

**Financial Impact** (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information)  
 Action requires an appropriation increase to the Capital Budget  
 Action requires an appropriation increase to the Operating Budget  
 Action provides increased revenue for appropriation increase  
 Action requires use of contingency or reserves  
 Other financial impact (Explain):  
 Request provided to department's finance contact prior to the Committee Coordinator

## **Background/Supporting Information**

On December 29, 2000, the City Council approved the Business Information Services (BIS) Department use of the State of Minnesota's list of qualified technology contractors for its contracts. By using City requirements, the Council permitted qualifying contractors to execute contracts with BIS. This contract process was approved for a period of three years with an additional one-year extension until the State of Minnesota updated its list. This contract process expired April 15, 2005.

On March 11, 2005, the City Council approved the BIS Department to issue new master contracts for up to \$2,500,000 each over a five-year period with technology providers selected through the then current State of Minnesota Request for Proposal (RFP) process. Contracts were issued to technology providers that were interested in enrolling in the program. When a technology opportunity became available, BIS would issue an RFP and select a qualified contract master contract vendor to issue an individual scope of work to. No scope of work could exceed \$500,000 without prior approval by the City Council.

In the past, several City offices such as the Police, Finance, Public Works, ECC, and Regulatory Services, have used this system to contract with technology-oriented vendors.

The competitiveness of this contract process allowed the City of Minneapolis to a larger pool of qualified respondents. With the success of this contract process, BIS again requests the use of the State of Minnesota's list and that the proper City officials be granted authorization to enter into City contracts with State master contractors.

## **BIS Master Contract Program**

### ***Background of the State's RFP***

The State of Minnesota's previous technology contractor list had contractors authorized to perform staff augmentation and project work. The criteria were limited. State authorities wanted stronger terms and an updated system.

The State issued an RFP with qualified respondents to be determined by March 14, 2006. The State's RFP requires that successful contractors agree to abide by public disclosure requirements under Minn. State. § 13.591 and Human Rights requirements under Minn. R. 5000.3600. Contractors agree to comply with affirmative action requirements set forth in Minn. State. §363A.36 if compensation reaches \$100,000. The State's RFP gives extra points to Targeted Group and Economically Disadvantaged

Businesses and individuals. Further, the selection process includes competitive pricing by job title.

### ***BIS Master Contracts Process***

State contractors that execute the BIS Master Contract will be eligible to respond to postings of project consultants or staff augmentation openings costing more than \$50,000.

Parameters of the new master contracts would be as follows:

- Contract terms of up to four years to end co-terminously with the State's system
- Contractors would be required to follow the BIS Master contract administrative processes, that include:
  - The starting dollar amount for the contracts would be a "not to exceed" of \$2,500,000 throughout the four year term
  - No scope of work would exceed \$500,000 without formal City Council approval.
- Requires state-of-the-art technology training
- Requires Certificate of Insurance with a newly revised minimum limit of
  - \$2,000,000 per occurrence
  - \$2,000,000 per annual aggregate
  - \$2,000,000 per annual aggregate – Products/ Completed Operations
- City-protective insurance coverage

### ***Administrative Process***

Contractors agree to follow procedures published on the City's website to respond to RFPs. Contractors can check at any time for openings and respond if they meet the qualifications. The administrative process also identifies time reporting, invoicing, and amending processes.

### ***SUBP Participation***

At present there are over 100 vendors in the Master Contract program. Twenty-two vendors are currently active in the Central Certification (CERT) Program.