



Request for City Council Committee Action

Date February 23, 2005

To Ways and Means Committee

Prepared by Nancy Larkey

Submitted by Karl Kaiser _____

Approved for Submittal John Moir _____

Subject BIS Master Contract System

Presenters in Committee Karl Kaiser, Nancy Larkey

Recommendation **Recommend issuing master contracts for up to \$2,500,000 each over a five year period with technology providers that were 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.**

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 the Budget Office when provided to the Committee Coordinator

Background/Supporting Information

On December 29, 2000, the City Council approved BIS department use of the State of Minnesota's list of qualified technology contractors for 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 Stat of Minnesota updates its list. This contract process will expire on April 15, 2005



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

BIS Master Contract System

Background of State RFP

The State of Minnesota 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, 2005. The State's RFP requires that successful contractors agree to abide by public disclosure requirements under Minn. Stat. § 13.591 and Human Rights requirements under Minn. R. 5000.3600. Contractors agree to comply with affirmative action requirements set forth in Minn. Stat. §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 five years (to coincide 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 for 5 years.
 - No scope of work would exceed \$500,000 without formal Council approval.
- Requires state-of-the-art technology training
- City-protective insurance coverage

Several City offices, namely Police, Finance-Water Utility, Public Works, ECC, City Clerk and Regulatory Services, use this system to contract with technology-oriented personnel.

Administrative Process

Contractors agree to procedures published on the City's web site where the RFPs are also published. Contractors can check at any time for openings and respond if they qualify. It also identifies time reporting, invoicing, and amending processes.



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SUBP and Targeted Vendor Participation

At present BIS has 37 active Master Contracts. There are 7 contractors that are SUBP certified and 4 are certified by the State's Targeted Vendor program. This represents a SUBP participation of 37%. Over the 4-year program there have been 61 vendors of which 10 are SUBP certified and 4 certified by the State's Targeted Vendor program. As percentages of amount expended, SUBP certified vendors received 33% and the combined SUBP and Targeted Vendor program received 39%.