

Exhibit to Agenda Item #6

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, August 15, 2018, scheduled to begin at 5:30 p.m.
Customer Service Center, Rubicon Room

Master Services Agreement for IT Support Extension and Increase

- Approve Contract Change No. 02 to the competitively awarded Master Services Agreement for Information Technology Support to extend the contract expiration date from March 30, 2020 to March 30, 2022 and increase the contract amount by \$25,000,000, from \$27,500,000 to \$52,500,000.

MSA Overview

- What is the MSA for IT Support?
- Why an MSA?
- February 2016: Board approved \$25M through March 30, 2020
- March 2018: Contract Change No. 01 authorized 10% contingency funds of \$2.5M for \$27.5M total in funding
- Scope of Services
- Competitive Task Release Process

MSA Utilization to Date

- 99 tasks issued totaling \$24M through 2019
 - 67% (\$16M) to local businesses
 - 31% (\$7.5M) to SEED
- \$16M invoiced
- 140 resources
- MSA is a key tool for execution of enterprise strategic initiatives, the 5 Year Strategic Plan, and North Star

MSA Success Stories

- TOD/TOU
- SMUD Marketplace
- CCA
- SolarShares – SAP enrollment development
- CSR tool – extract development and support

Organizational Impact

- Financial Savings
 - Simplified Procurement Cycle
 - Executing projects on time/on budget
 - Competitive Rates
- Agile/Nimble
 - Quickly find resources
 - Quick ramp-up/ramp-down

Purpose of Request

- Funds fully committed by 2/28/19, preventing award of new tasks
- Enterprise technology project resourcing requests forecasted to remain high
- Ensure resources and skills are available to meet internal demand for an additional 2 years
- Enable SMUD to continue receiving benefits of MSA – flexibility, efficiency, and competitive rates
- New MSA RFP anticipated in 2020 depending on market conditions

Requested Action

- Approve Contract Change No. 02 to the competitively awarded Master Services Agreement for Information Technology Support to extend the contract expiration date from March 30, 2020 to March 30, 2022 and increase the contract amount by \$25,000,000, from \$27,500,000 to \$52,500,000.