



STAFF REPORT

DATE: October 26, 2020
TO: Sacramento Regional Transit Board of Directors
FROM: Shelly Valenton, VP, Integrated Services and Strategic Initiatives
SUBJ: SECOND AMENDMENT TO CONTRACT FOR ON-CALL SAP SUPPORT SERVICES WITH INLINK CONSULTING, INC.

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of this amendment extends the current contract with Inlink Consulting, Inc. for one year, to December 31, 2021, raises the hourly rate for services, and increases the total not-to-exceed amount by \$50,000, for a total not-to-exceed consideration of \$200,000.

FISCAL IMPACT

This is a Work Order based Contract where each Work Order will be funded as needed out of budgeted operating funds for the fiscal year in which work occurs.

DISCUSSION

SacRT has had contracts in place with Inlink Consulting, Inc., (Inlink) for On-call SAP Support Services since 2005. Most-recently, on November 17, 2016, after an informal solicitation (Request for Quote), SacRT entered into a new contract with a Total Consideration not to exceed \$100,000. The term of the contract was four years and is scheduled to expire on November 16, 2020. The contract was amended in 2019 to increase the total consideration to \$150,000.

Inlink has provided technical system support services under the Contract through 13 Work Orders and is familiar with SacRT's SAP system and the customizations that have been implemented. Inlink provides technical and functional support for multiple SAP modules critical to SacRT operations, including time-management, employee benefits and payroll processing. In addition, Inlink provides configuration support for new union contract implementations, amendments to existing contracts, implementation/modification of tax code(s), support of open enrollment benefits and year-end processes, as well as work schedule creation and management.

Staff are currently working to develop a Request for Proposal (RFP) for a long-term Contract for SAP Operational Support and Enhancement Services, which will ultimately replace this contract. It is anticipated that it will take six to nine months to complete the

RFP process and Staff recommends retaining Inlink in the interim and, if Inlink bids and is not the selected bidder, for a bit of time after the new contract is in place to facilitate ongoing SAP support, and provide subject matter expertise (SME) to Staff, as well as support knowledge transition.

Given the proprietary nature of the SAP system as well as SacRT's dependence on the system for business-critical functions such as payroll, personnel management, and other accounting processes, there could be significant business impacts to SacRT operations without an on-call support agreement.

A new informal procurement was recently conducted, and Inlink offered the lowest hourly rate of \$90 compared to the competitor's rate of \$200 per hour. Staff have been satisfied with Inlink's performance under the existing contract and believe the best possible way to mitigate risk to SacRT is to extend the agreement with Inlink for one year and increase the Total Consideration by \$50,000, to \$200,000.

RESOLUTION NO. 20-10-0116

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

October 26, 2020

SECOND AMENDMENT TO CONTRACT FOR ON-CALL SAP SUPPORT SERVICES WITH INLINK CONSULTING, INC.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, while the Contract for On-Call SAP Support Services was awarded through the use of an informal solicitation, this amendment to increase the total consideration over the formal solicitation threshold is proper under Section 1.505 of the Procurement Ordinance (Ordinance No. 18-08-01) because a new informal solicitation was conducted and Inlink Consulting, Inc. was determined to be the lowest responsive and responsible bidder; and

THAT, the Second Amendment to the Contract for On-Call SAP Support Services between Sacramento Regional Transit District, therein referred to as "RT," and Inlink Consulting, Inc. therein referred to as "Consultant," whereby the term of the Contract is extended to terminate on December 31, 2021, Contractor's hourly rate is increased from \$85 to \$90, and the total consideration is increased by \$50,000, from \$150,000 to \$200,000, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said Second Amendment.

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary