



Regular Meeting

Item Number 7g – Open Session

Subject: Contracts Requiring Board Approval - Revised

Presenter(s): Melissa Norcia

Item Type: Consent Action

Date & Time: July 8, 2022 – 0 minutes

Attachment(s): None

PowerPoint(s): None

Contracts Requiring Board Approval

The Teachers' Retirement Board delegation to the Chief Executive Officer requires that the board approve: all non-investment contracts with a cumulative value exceeding \$1,000,000; all non-competitive bid contracts with a cumulative value exceeding \$100,000; and any contract amendment exceeding 15% of the cumulative value previously approved by the board exceeding \$1,000,000. The contracts listed below meet these criteria:

NON-COMPETITIVE BID

1. Sagitec Solutions

Title:	Interim Pension Solution Services
Contract Number:	TBD
Term:	July 8, 2022, through June 30, 2023
Contract Amount:	Not to exceed \$30,000,000.00
Source of Funds:	Support Appropriation
Branch Executive:	Ashish Jain/Bill Perez

PURPOSE

Staff requests board approval for CalSTRS to engage Sagitec Solutions in a non-competitive bid contract for an amount not to exceed \$30,000,000.00 for a period of time not to exceed 12 months.

CalSTRS proposes to contract with Sagitec Solutions to perform immediate activities on knowledge transfer and to provide essential application development and related technology services to sustain the project during this period. CalSTRS has determined that former CGI subcontractor Sagitec Solutions is uniquely qualified to provide the necessary services during this period.

SUMMARY

In June 2015, CalSTRS entered into a contract with CGI to replace its legacy pension administration system. Replacement of its pension administration system is the largest effort undertaken by CalSTRS. CGI assembled a team of CGI internal staff and subcontractors, which included Sagitec Solutions, to support the project with their specialized skills and pension knowledge. CGI's bid also included the use of Sagitec Solutions' Neospin software package as the technology foundation of the pension administration system. The new system, including Neospin and all peripheral elements of its architecture (e.g., 3rd party software and required interfaces), is referred to internally as BenefitConnect by CalSTRS. The design, build, and testing of the new pension administration system has been underway since 2015.

With CGI's contract set to expire in June 2023, CGI and CalSTRS have been in discussions about the best path forward. The parties have mutually agreed to transition the remaining portion of the project to Sagitec Solutions for an interim period of time.

CalSTRS remains focused on ensuring the successful completion of the project and has now centered its immediate activities on knowledge transfer and necessary services to sustain the project. After considering internal and external alternatives to completing knowledge transfer, CalSTRS has determined that Sagitec Solutions is best positioned to support CalSTRS at this time.

Through its role as a subcontractor to CGI, and because CGI bid Sagitec Solution's Neospin as the technology foundation of its pension solution, Sagitec Solutions developed knowledge and experience with the project goals, as well as with CalSTRS' technology and functional business environment. And while CGI was the primary vendor for the project, Sagitec Solutions had peripheral involvement in all technology aspects of the project, making it the only vendor with the background required to serve in the role of knowledge transfer recipient at this time.

AMENDMENT

2. Cuyler & Tufts LLP

Title:	Litigation Services
Contract Number:	4400003040, A-4
Term:	March 1, 2020 through December 30, 2024
Contract Amount:	\$ 866,290.09
Amendment Amount:	\$ 250,250.00
Proposed Contract Amount:	\$1,116,540.09
Source of Funds:	Support Appropriation
Branch Executive:	Brian J. Bartow

PURPOSE

Staff requests board approval to amend the contract for Cuyler & Tufts LLP by \$250,250.00, for a new contract total of \$1,116,540.09. This additional funding is associated with legal consultation for technology services.

SUMMARY

Contractor shall provide legal consultation, advice and representation for its system acquisition, implementation and integration project, and information technology legal consultation. There are no other state agencies, or positions, that provide this type of specialized legal advice, or have expertise in these areas.

RECOMMENDATION

Staff recommends the approval of the above non-competitive bid and amendment request.