



# Regular Meeting

## Item Number 9d – Open Session

**Subject:** Contracts Requiring Board Approval

**Presenter(s):** Chairperson

**Item Type:** Consent Action

**Date & Time:** May 3, 2023 – 0 minutes

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**Attachment(s):** None

**PowerPoint(s):** None

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### **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 (NCB)**

1. Quest Media & Supplies, Inc.

Title:	Pension Solution Hosting Services
Contract Number:	4400004021, A-2
Current Term:	July 1, 2022 through July 31, 2023
Proposed Term:	July 1, 2022 through July 31, 2024
Current Contract Amount:	\$1,774,957.99
Amendment Amount:	\$1,657,310.76
Proposed Contract Amount:	\$3,432,268.75
Source of Funds:	Support Appropriation
Branch Executive:	Ashish Jain

**PURPOSE**

Staff requests the Board’s approval for a contract amendment with Quest Media & Supplies, Inc. (Quest), to increase the contract by \$1,657,310.76 to continue providing the Pension Solution hosting-related services for another year through July 2024.

**SUMMARY**

CalSTRS is in the process of replacing multiple legacy systems with a new pension administration system, a project known as Pension Solution. Quest currently provides the data centers for the Pension Solution project including network, servers, infrastructure, and disaster recovery.

Originally, CalSTRS entered into an agreement with CGI Technologies and Solutions Inc. (CGI) in 2015 to implement the new pension administration system. Quest was CGI’s sub-contractor tasked with providing the data centers and hosting services for the solution. In June 2022, both parties agreed to assign this data center contract to CalSTRS. Since the original agreement between CGI and Quest does not include language for extensions, a contract amendment with Quest is required to be submitted as a non-competitive bid for the extension.

The Pension Solution project is in the process of procuring a new solution implementor before CalSTRS can solidify the project schedule extension. In the meantime, it is crucial to maintain the continuity of hosting services for the solution.

**AMENDMENTS**

2. Cuyler & Tufts LLP

Title:	Outside Litigation Services
Contract Number:	4400003040, A-5
Current Term:	March 1, 2020 through December 30, 2024
Proposed Term:	March 1, 2020 through December 30, 2026
Current Contract Amount:	\$1,116,540.09
Amendment Amount:	\$441,755.00
Proposed Contract Amount:	Not to Exceed \$1,558,295.09
Source of Funds:	Support Appropriation
Branch Executive:	Brian J. Bartow

**PURPOSE**

Staff requests Board approval to amend the contract for Cuyler & Tufts LLP to add funding in the amount of \$441,755.00 for a new contract total of \$1,558,295.09. 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. This type of specialized legal advice and expertise is unique and limited to law firms that offer special counsel with the requisite skills to support large and complex technology projects.

3. Guidehouse Inc. (previously known as Grant Thornton Public Sector LLC)

Title:	Independent Project Oversight Consultant Services
Contract Number:	4400002752, A-4
Current Term:	August 1, 2019 through May 31, 2023
Proposed Term:	August 1, 2019 through May 31, 2024
Current Contract Amount:	\$2,606,422.06
Amendment Amount:	\$642,829.56
Proposed Contract Amount:	\$3,249,251.62
Source of Funds:	Support Appropriation
Branch Executive:	Lisa Blatnick

**PURPOSE**

Staff requests the Board’s approval to amend the contract with Guidehouse Inc., to increase the contract by \$642,829.56 to continue Independent Project Oversight Consultant (IPOC) services on the Pension Solution Project for another year through May 2024.

**SUMMARY**

CalSTRS is in the process of replacing multiple legacy systems with a new pension administration system, a project known as Pension Solution. Due to the complexity and critical nature of this project, CalSTRS requires the services of an IPOC firm to serve as the Board’s consultant on the Pension Solution project, providing an independent perspective on system implementation processes and practices. Specifically, IPOC focuses on project management process compliance and risk reporting, as well as cost and schedule compliance.

The Pension Solution project is in the process of procuring a new solution implementor before CalSTRS can solidify the project schedule extension. In the meantime, it is crucial to maintain the continuity of IPOC services to ensure ongoing compliance with project management processes and risk reporting.

The contract was executed in August 2019 originally with Grant Thornton, LLP. In June 2020, the contract was assigned to their subsidiary, Grant Thornton Public Sector LLC. And more recently in October 2022, as a result of a company merger, the contract was updated to Guidehouse Inc. to continue providing IPOC services on this project.

4. AVI-SPL LLC

Title:	Audiovisual Support
Contract Number:	4400004080, A-1
Contract Term:	October 3, 2022 through October 2, 2027
Current Contract Amount:	\$712,578.00
Amendment Amount:	Not to Exceed \$787,422.00
Proposed Contract Amount:	Not to Exceed \$1,500,000.00
Source of Funds:	Support Appropriation
Branch Executive:	Ashish Jain

**PURPOSE**

Staff requests the Board’s approval to amend the contract with AVI-SPL LLC to increase the contract by (up to) \$787,422.00 for costs associated with additional audiovisual (AV) support required to meet CalSTRS business needs.

**SUMMARY**

CalSTRS Technology Services (TS) branch is tasked with maintaining an integrated AV equipment setup across its headquarters and seven Member Service Centers (MSCs). AV equipment is used extensively to enable Teachers’ Retirement Board (TRB) and Committee meetings, large organization wide meetings such as Town Halls, staff meetings, etc. in a blended work environment. TRB and Committee meetings are recorded and streamed to conform to Bagley-Keene Open Meeting Act, providing access to the public including CalSTRS members. The state-of-the-art architecture involves integration of AV equipment in the Board Room, Conference Rooms, and other large meeting areas with the Control Room giving a real time audio video experience to both onsite and remote attendees. Successful operation of the AV setup requires a technology refresh of components in the Control Room to enable the integration of AV equipment at its headquarters campus (100 Waterfront and 200 Waterfront) to work synchronously.

The requested amendment will be used to procure the integration equipment for the Control Room, videoconferencing equipment for conference rooms (at headquarters and MSCs), and extend technical support for all locations.

5. Peraton State & Local Inc.

Title:	Datacenter Hosting and Migration Services
Contract Number:	4400003230, A-2
Current Term:	September 30, 2020 through September 29, 2023
Proposed Term:	September 30, 2020 through September 29, 2024
Current Contract Amount:	\$17,097,364.99
Amendment Amount:	\$5,978,150.84

Proposed Contract Amount: \$23,075,515.83  
Source of Funds: Support Appropriation  
Branch Executive: Ashish Jain

**PURPOSE**

Staff requests approval to increase the contract amount with Peraton State & Local Inc. (Peraton) by a total of \$5,978,150.84 and extend the term to continue Maintenance and Operations through September 29, 2024.

**SUMMARY**

CalSTRS entered into an agreement with Peraton in September 2020 to provide datacenter migration and hosting services. Peraton had completed the migration of CalSTRS most critical business applications into cloud datacenters and is currently providing support for those applications. The contract includes cloud hosting services and ongoing professional services to manage the cloud datacenters. The cloud hosting services consist of network connectivity, computing infrastructure, and security controls across multiple sites to enable high availability and disaster recovery. The ongoing professional services are needed to continually monitor, operate, and maintain the cloud datacenters.

The cloud datacenters are hosting CalSTRS BusinessDirect, Imaging, Contact Center, Telephony system, Investments BlackRock, StateStreet and Bloomberg solutions, and various enterprise applications. It is critical that CalSTRS maintains the continuity of these business applications to avoid causing disruptions to operations. This amendment increases the total contract amount by \$5,978,150.84 and extends the term of the contract through September 2024 to provide essential hosting and support services to CalSTRS critical business applications in the cloud datacenters.

**RECOMMENDATION**

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