



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Human Resources



Date: July 1, 2015
Board Meeting Date: August 4, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Donna Vaillancourt, Director of Human Resources

Subject: Agreement with Agiloft, Inc. for a Procurement and Contract Management System

RECOMMENDATION:

Resolution authorizing two agreements with Agiloft, Inc. for implementation of a procurement and contract management system, including design and implementation services for the combined amount of \$905,000, which includes: professional services for the term of August 5, 2015 through December 31, 2016 in an amount not to exceed \$475,000; and software licensing and hosted services for the term of October 1, 2015 through September 30, 2020 in an amount not to exceed \$430,000.

BACKGROUND:

On September 8, 2014, the Human Resources Department issued a Request for Proposals (RFP) for a web-based contract development and management solution for County-wide contract processing. The system is intended for use by all departments to develop and manage the life cycle of contracts for goods and services, including vendor agreements. The typical service agreement life cycle includes determining the scope of required services, conducting an RFP, selection processes, execution, performance monitoring, contract closeout and archiving, often with associated amendments or work orders and the need to manage associated documents and information such as insurance certificates. The planned system will have the ability to interface with the County's financial system in order to help departments better manage contracts, including viewing information about the spend rate for an agreement. The system should also have the ability to facilitate contract management and oversight by making the review process more uniform across the County, providing contract information to other departments and to the public, creating standard reminders to departments to help plan for the termination dates of existing contracts, and improving the tracking of contracts and contract-related metrics. Agiloft Inc. (Agiloft) responded to the RFP and

was selected as the preferred vendor to meet the County's contract management requirements.

DISCUSSION:

There are two proposed agreements with Agiloft. The first agreement is for the project's design, implementation, and training services, which will begin August 5, 2015 and end December 31, 2016. Implementation will occur as a phased process that will initially include participation from two pilot departments, with a phased roll-out for all remaining departments once the system's basic design and features are implemented. The second agreement with Agiloft is for software licensing and hosted services, providing processing and storage for the web-based system for a five-year period, from October 1, 2015 through September 30, 2020. Agreeing to the five-year license and hosting term has allowed the County to lock in favorable rates for the license and hosting services.

Overall, the scope of the project will include the following elements: new versions of the County's template for service contracts, as well as other contract-related templates and documents, will be maintained within the system; standard contract processes and work-flows will be mapped out, including many department-specific processes; a library of contract clauses and other documents will be created, permitting departments to select the standard language they wish to use in an agreement; vendor-provided contract language will be usable when necessary; review and routing of draft documents, as well as waiver requests, will be facilitated within the system, helping ensure proper review before contract execution; departments will be able to customize work processes within the system when appropriate; the RFP (and similar Request for Information and Request for Quotation) processes will be managed through the new system; and public access to certain contract-related information will be provided, thereby supporting the County's ongoing efforts to provide transparency in government services. The Agiloft system is also easily expanded and customized, giving the potential for many different future uses.

The overall project implementation will be supervised and guided by a steering committee consisting of the Human Resources Director, and a representative from the County Manager's Office, Human Services Agency, Information Services Department, Health System, and County Counsel. The professional services agreement also includes approximately \$241,000 for contingency and optional services, including: work on a system to manage, track, and audit grant-funded sub-recipient contracts, something that currently requires substantial time and effort by County employees; implementation of a process for procurement-related goods and services requests, allowing departments to better understand the status and anticipated fulfillment timeframe of procurement requests; and further integration with County systems. Such optional services will only be undertaken based on decisions by the steering committee.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations for each agreement by a maximum of \$25,000 (in aggregate) per agreement.

The Information Services Department has reviewed and approved the IT component of this agreement.

The County's Contract Compliance Committee has approved a waiver request to extend the licensing agreement to a total of five years.

The agreements and resolution have been reviewed and approved by County Counsel as to form.

Approval of these agreements contributes to the Shared Vision 2025 outcome of a Collaborative Community by creating an efficient, open and transparent automated contract workflow and archiving system, helping departments better manage contracts for services and granting the public access to basic information about the County's service agreements.

PERFORMANCE MEASURE(S):

Measure	FY 2015-16 Projected	FY 2016-17 Projected
Percent of contracts completed within the new automated system*	70%	100%

** Does not include construction contracts at this time.*

FISCAL IMPACT:

The term of the professional services agreement is August 5, 2015 through December 31, 2016 in an amount not to exceed \$475,000. The term of the software licensing and hosting agreement is from October 1, 2015 through September, 30 2020 in an amount not to exceed \$430,000. The entire cost for each agreement will be offset through reimbursements from Non-Departmental Services. These contracts have been included in the Human Resources Department FY 2015-16 Recommended Budget. Similar arrangements will be made for FY 2016-17 and beyond.

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Request for Proposals - Matrix		
1	Where was the RFP advertised?	Public Purchase – an online procurement system, on September 8, 2014 San Mateo County Times on September 11, 2014
2	In addition to any advertisement, list others to whom the RFP announcement was sent:	None
3	State the total number of RFP's sent to prospective proposers:	Potential vendors were able to download the RFP directly from Public Purchase
4	How many proposals did you receive?	9
5	List in alphabetical order the names of the proposers (or finalists, if applicable) and the location:	Agiloft, Inc. BidSync CGI Technology and Software, Inc. GloGou, Inc. Hyland Software, Inc. Kinsey & Kinsey, Inc. MediTract, LLC The Public Group Western Integrated Systems