



County of San Mateo

Inter-Departmental Correspondence

Department: ASSESSOR-COUNTY CLERK-
RECORDER-ELECTIONS

File #: 23-443

Board Meeting Date: 6/13/2023

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Mark Church, Assessor-County Clerk-Recorder & Chief Elections Officer

Subject: Amendment 8 to Agreement with Sapient Corporation for the Assessor-County Clerk-Recorder & Elections (ACRE) Assessor Property Assessment System (APAS) Project

RECOMMENDATION:

Adopt a resolution authorizing Amendment 8 to the agreement with Sapient Corporation to:

- A) Extend the APAS Development Agreement timeline by an additional five (5) months by moving the end date from June 30, 2023 to November 30, 2023; and
- B) Revise the term and start date of the APAS Maintenance Agreement from July 1, 2023 through June 30, 2033 to December 1, 2023 through November 30, 2033; and
- C) Increase the APAS Development Agreement amount by \$1,535,301, for a new not to exceed amount of \$23,873,649; and
- D) Reallocate \$1,535,301 in APAS project budget funds by moving \$1,535,301 from the ACRE Department Head Contingency Fund to the APAS Development Agreement Contingency Fund.

BACKGROUND:

At the core of the business operations of ACRE's Appraisal Services Division is a digital data management system which stores and processes data relating to the ownership, characteristics, and assessment values of all taxable properties in the County. At its December 11, 2018, meeting, this Board approved the APAS Agreement ("APAS Agreement") to replace the Assessor's legacy data management system. The term of the APAS Agreement includes a 3-year term to cover the project development and implementation of the system ("Development Agreement") and a post-project 10-year term for maintenance and operations of the system ("Maintenance Agreement").

The APAS Agreement has been amended seven times both by this Board and the Assessor-County Clerk-Recorder & Elections Officer. The Board amendments occurred on April 07, 2020 (Amendment

2), September 14, 2021 (Amendment 5), and September 27, 2022 (Amendment 7). Amendment 2 incorporated the Data Cleansing and Conversion project and increased the Development Agreement amount by \$3,886,400 to a new not to exceed amount of \$20,188,348. Amendment 5 extended the Development Agreement by 6 months and moved the start date of the Maintenance Agreement commensurately. Amendment 7 extends the Development Agreement by 9 ½ months to June 30, 2023 and moved the start date of the Maintenance Agreement commensurately.

DISCUSSION:

In January 2023, APAS team successfully implemented the first major release of the Unsecured System (Business Personal Property). Following the January release of the Unsecured System, the team implemented additional system features in five releases. While performing the User Acceptance Testing of the Secured System (Real Property), the team identified additional requirements and technical complexity and business process changes which will require additional programming development by the Contractor.

The APAS project will require an extension beyond June 30, 2023, to complete the newly identified requirements and technical complexity for Phase 3, 4 & 5 activities. These activities are required for the de-installation of the EZ Access legacy system. The final phases of the development will be extended into November 30, 2023. The project extension has been discussed with the APAS Executive Steering Committee.

With Amendment 8, Sapien will have incurred project costs of \$11.24M over the original fixed price agreement which are not chargeable to the County. Sapien senior management continues to reinforce their commitment to the successful completion of the APAS project. Through Amendment 7, ACRE has agreed to pay for Change Requests (CR) totaling \$3,512,116. With the approval of Amendment 8, ACRE will pay an additional \$1,535,301 bringing ACRE CRs cost to a total of \$5,047,417 above the original fixed price. The ACRE project team anticipated that a project as complex as APAS would require change orders and included funding to account for such changes in the APAS project budget already approved by this Board.

To meet the Amendment 8 cost ACRE requests the Board of Supervisors approve ACRE's recommendation to increase the amount of the agreement by \$1,535,301 by reallocating the Board approved APAS project budget funds from the ACRE Department Head Contingency Fund to the APAS Development Contingency Fund and to extend the time within which to complete the development and the overall contract by five months.

The County Attorney has reviewed and approved the resolution and amendment as to form.

FISCAL IMPACT:

Appropriations to cover the costs of this agreement are included in the Assessor-County Clerk-Recorder's FY 2021-23 Recommended Budget and will be included in future budgets. These costs will be fully funded by a transfer from Non-Departmental Services.