



County of San Mateo

Inter-Departmental Correspondence

Department: ASSESSOR-COUNTY CLERK-
RECORDER-ELECTIONS

File #: 21-675

Board Meeting Date: 9/14/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

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

Subject: Amendment 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 5 to the agreement with Sapient Corporation to:

- A) Extend the APAS development project (Exhibit A, SOW # 1) timeline by an additional six months from January 1, 2022 to June 30, 2022 and move the start date of the maintenance agreement from January 1, 2022 to July 1, 2022; and
- B) Increase the agreement amount by \$1,000,000, for a new not to exceed amount of \$21,188,348; and
- C) Extend the term of the agreement from December 31, 2031 to June 30, 2032.

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 Project (Resolution # 076320) to replace the Assessor's legacy data management system (the EZ Access System). The term of the Agreement includes a 3-year term to cover the project and development of the system (Exhibit A, SOW#1) and a post-project 10-year term for Maintenance and Operations of the system (Exhibit C, SOW #2).

On April 07, 2020, the Board approved the amendment to the Agreement (Amendment 2) to incorporate the Data Cleansing and Conversion project by modifying Section 2, 3.1, and 4 and increased the Agreement amount by \$3,886,400 to the new amount of \$20,188,348 (Resolution # 077335). Amendments 1, 3 and 4 were authorized by the Assessor-Clerk-Recorder-Elections Officer.

DISCUSSION:

The APAS project was launched in January 2019 with Sapiient for a projected 3 to 3 ½ -Year term to complete the project by December 31, 2021. This includes six months of Definition Phase and 2 ½ years of Development Phases. The project has faced many challenges requiring SOW # 1 to be extended by 6 months which is consistent with the APAS project estimate of 3 to 3 ½ years.

The COVID-19 pandemic has further added obstacles to the ACRE and Sapiient teams both in the United States and India. Since April of 2021, Sapiient India has experienced a major COVID-19 surge which has impacted the productivity of the Sapiient India development team. The current APAS project timelines have been adjusted to account for the above challenges with the six-month APAS development phase extension. Sapiient has adjusted their onshore and offshore delivery model with a greater emphasis on having more onshore staffing and absorbed these costs as part of the fixed bid.

Both ACRE and Sapiient continue to make process improvements as part of the development methodology including Sapiient adding additional staff since November 2020 with a mix of onshore and offshore staffing to ensure the success of the APAS project. Sapiient has a total investment of \$5.25M over and above the fixed price Agreement. The Sapiient cost to extend the Agreement has been presented to the APAS Executive Steering Committee and agreed to by the CMO. Sapiient and ACRE have agreed to share the project extension cost equally given the challenges faced by both teams to date on the project.

ACRE therefore requests the Board approve ACRE's recommendation to increase the amount of the agreement by \$1,000,000 by reallocating the Board approved APAS project budget funds from the available Best Practice Vendor cost (\$500K) and the Information Services Department support cost (\$500K) to the APAS Development contingency funds and to extend the time within which to complete the development and the overall contract by six months.

County Counsel 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.