

# Agenda Report

April 15, 2024

**TO:** Honorable Mayor and City Council

**FROM:** Finance Department

**SUBJECT: AUTHORIZATION TO AMEND CONTRACT 32342 WITH OPENGOV FOR A CITYWIDE EPROCUREMENT SYSTEM FOR AN AMOUNT NOT-TO-EXCEED \$189,366**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action herein is not a project subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 21065 and within the meaning Sections 15060(c) and 15378(b); and
2. Authorize the City Manager to amend Contract 32342 with OpenGov for a Citywide eProcurement system from a not-to-exceed amount of \$107,000 to \$189,366 for a five-year term.

## **BACKGROUND:**

On August 15, 2022, the City Council authorized the City Manager to enter into a contract with OpenGov. The contract was awarded for an initial term of five-years with a not-to-exceed amount of \$107,000, which included a \$7,000 contingency subject to the approval of the City Manager.

The scope of work for Contract 32342 is based on the Request For Proposal (RFP) released on March 16, 2022, and the subsequent winning proposal received from OpenGov. The purpose of the RFP was to solicit proposals for a complete "eProcurement System" to include an eProcurement module, and an evaluation module. The use of these two modules is critically supported by our current use of the solicitation development module. The use of the solicitation development module was administered through a separate purchase and has been in place since January 2020. As the deployment and training of all three modules have been fully executed citywide, consolidating the two relationships under one contract will increase the overall efficiency and management of these procurement tools.

Staff recommends increasing the existing contract 32342 from \$107,000 to \$189,366. The grand total of \$189,366 includes the base of \$182,366 and a contingency of \$7,000, to provide for any necessary change orders. The contract expires on August 31, 2027. At the time of this report, \$40,000 has been expended on contract 32342, and if the recommendation is approved, there will be a remaining balance of \$142,366 on contract 32342 through August 31, 2027.

**COUNCIL POLICY CONSIDERATION:**

The recommendations are consistent with the City Council's goals to maintain fiscal responsibility and stability; improve, maintain, and enhance public facilities and infrastructure; and increase conservation and sustainability.

**ENVIRONMENTAL ANALYSIS:**

The awarding of contracts for professional services is an organizational and administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in State CEQA Guidelines Section 21065 and Section 15378. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

The cost of the recommended action is \$83,893 of which, \$10,000 is anticipated to be spent during Fiscal Year 2024. The Finance Department will utilize existing budgeted appropriations in the General Fund to support the additional contract costs. There is no anticipated impact to other operational programs or capital projects as a result of this action.

The contract summary is shown in Table I below.

**Table I: Contract 32342 Summary**

Contract Not-to-Exceed:	\$100,000
Contract Amendment Request:	\$82,366
Contingency:	\$7,000
<b>Amended Not-to-Exceed</b>	<b>\$189,366</b>


Respectfully submitted,




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Approved by:




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