



Midpeninsula Regional
Open Space District

R-20-75
Meeting 20-16
July 22, 2020

AGENDA ITEM 3

AGENDA ITEM

Contract Amendment with Questica Ltd., to Purchase Unlimited User Licenses for Budget Management Software

GENERAL MANAGER'S RECOMMENDATION

Authorize the General Manager to amend the original three-year contract of \$127,350 with Questica Ltd., by \$44,583, for a new total contract amount not to exceed of \$171,933, to purchase and maintain unlimited user licenses for the Budget Management Software through October 2022.

SUMMARY

The Midpeninsula Regional Open Space District (District) identified a business need for budget management software with robust planning and reporting capabilities to streamline annual budget development and management processes and support budget collaboration between District business lines. In September 2019, the Board of Directors (Board) approved the Award of Contract for Questica Ltd., (Questica) (R-19-121) for budget software acquisition, professional implementation services, and two years of software maintenance. The budget management software was subsequently purchased, and configuration services completed. Through the implementation process, staff identified the need to purchase additional user licenses to further streamline the budget and action plan process by leveraging the functionality and efficiencies of the software system to allow all District staff full utilization of the budget data to prepare budget plans and track project budgets.

DISCUSSION

Background

The District historically relied on manual processes to develop and manage operating and Capital Improvement and Action Plan (CIAP) project budgets. The Budget and Analysis department works with all business lines to support budget development and annual budget management. This has largely been accomplished through heavy use and management of numerous Excel spreadsheets, emails, and content posted on the department's SharePoint site.

The District's 2015 Information Technology Master Plan includes specific recommendations for improving staff productivity by implementing core application systems (e.g. budget management software) and eliminating manual processes, such as work-around spreadsheets and shadow systems. In furthering these recommendations, on September 11, 2019, the Board authorized the General Manager to enter into a three-year contract with Questica for budget software acquisition and professional implementation (R-19-121).

During FY20, Questica software was configured and implemented to streamline budget development and management, allowing for unlimited budget scenarios, tracking changes in real time, enhanced functionality, and cross-platform collaboration. This software increases visibility, quality, and productivity while reducing the potential for human error. The software integrates with the District's existing Enterprise Resource Planning System (i.e. New World Systems), tracking budget-to-actuals in near real-time.

Need for Additional Users

The original contract included enough user licenses for the District's current department budget representatives. However, as the implementation team learned more about the software's full capabilities, many new time-saving features were identified that require additional user licenses to leverage. Among these include extending the software to streamline the action plan development process and allowing more staff, beyond department budget representatives, to participate in the collaborative process of developing, maintaining, and tracking the District's budget. This web-based software allows for approval of department and project budgets by management, as well as comprehensive action plan project list development. The purchase of unlimited user licenses will increase the overall efficiency of the Budget and Action Plan development and management process, as well as allow all District staff to fully utilize their budget data to prepare budget plans and track project budgets.

Vendor Selection

District staff conducted a thorough assessment of industry budget software and Questica was identified as the vendor of choice, due to an intuitive user interface, the ability to manage complex capital project budgets, and competitive pricing both with implementation and ongoing maintenance. Numerous public agencies in California use Questica, including the Cities of Palo Alto, Sunnyvale, Santa Clara, Escondido, Temecula, Concord, Thousand Oaks, and Oceanside.

This software was procured through cooperative purchasing (or "piggybacking") based on the City of Escondido Request for Proposal. Section IV.C of Board Purchasing Policy 3.03, *Public Contract Bidding, Vendor and Professional Consultant Selection, and Purchasing Policy* provides that the District may "join in cooperative purchasing agreements with other public agencies (e.g., the State of California, counties, cities, schools, or other special districts) to purchase goods or services at a price established by that agency through a competitive bidding process." This provides cost savings to the District and reduces staff time required to conduct an extensive bid process. In this case, the City of Escondido issued an extensive solicitation for budget management software. They received four proposals and interviewed two of them. This resulted in Questica being selected for its robust functionality and competitive pricing.

FISCAL IMPACT

The original quote for unlimited user licenses was \$235,000, of which District staff underwent a 3-month negotiation process resulting in a \$190,417 discount. With this discount, purchasing unlimited user licenses is \$4,017 less than the cost for buying the desired number of additional individual user licenses. The recurring annual maintenance cost of \$30,250 is less than other competitor's budget software costs and less than the District's current enterprise systems costs with unlimited user licenses.

Software	Comparison of Annual Cost for Unlimited User License of Other Software
OpenGov (Budget Software Competitor)	\$72,000
ESRI GIS (Current District Enterprise System)	\$45,000
Cityworks Asset Management (Current District Enterprise System)	\$45,000
NWS ERP (Current District Enterprise)	\$36,000

There are sufficient funds in the adopted FY21 Budget to cover the cost of the recommendation. It is projected that there will be sufficient funds to cover the cost of the recommendation in future fiscal year budgets, which will be adopted as part of the annual Budget and Action Plan process. A summary of the contract expenses for three years is shown in the table below.

Questica Contract: Budget Software	FY20 Expenses (7/1/2019- 6/30/2020)	FY21 Expenses (7/1/2020- 6/30/2021)	FY22 Expenses (7/1/2021- 6/30/2022)	Total
ORIGINAL CONTRACT				
Software purchase	\$34,850	\$0	\$0	\$34,850
Annual hosting	9,000	9,000	9,000	27,000
Professional software configuration services	48,000	0	0	48,000
Annual maintenance	0	8,750	8,750	17,500
TOTAL	\$91,850	\$17,750	\$17,750	\$127,350
AMENDED CONTRACT – Unlimited Users				
<i>Additional annual maintenance</i>	\$0	\$12,500	\$12,500	\$25,000
<i>Additional annual maintenance discount</i>	0	(10,417)	0	(10,417)
Net additional annual maintenance	0	2,083	12,500	14,583
<i>Unlimited users (one-time fee)</i>	0	210,000	0	210,000
<i>Unlimited users (one-time fee) discount</i>	0	(180,000)	0	(180,000)
Net unlimited users (one-time fee)	0	30,000	0	30,000
NET TOTAL	\$0	\$32,083	\$12,500	\$44,583
TOTAL AMENDED 3-YEAR CONTRACT	\$91,850	\$49,883	\$30,250	\$171,933

BOARD COMMITTEE REVIEW

A Board Committee did not previously review this item.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

No action required. This is not a project under CEQA.

NEXT STEPS

Upon Board approval, the General Manager will direct staff to amend the contract with Questica to purchase additional users for the Budget Management Software.

Responsible Department Head:

Casey Hiatt, Information Systems and Technology Manager

Prepared by:

Casey Hiatt, Information Systems and Technology Manager

Elissa Martinez, Management Analyst II

Contact person:

Casey Hiatt, Information Systems and Technology Manager