

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to proposed First Amended and Restated Agreement (Contract No. C-120638) with Ventiv Technology, Inc. (formerly known as Aon eSolutions, Inc.) to provide an integrated system for the management of workers' compensation claims data.

Recommendations for Council action:

1. APPROVE and AUTHORIZE the General Manager, Personnel Department, to execute the First Amended and Restated Licensing and Professional Services Agreement (Contract No. C-120638) with Ventiv Technology, Inc. (Ventiv Technology) for the iVOS system and software license, maintenance and support, hosting, and professional services to extend the term by three years, with two one-year options to renew, for up to a ten-year term effective June 30, 2012 through June 29, 2022 and increase the compensation ceiling by \$3,251,192 for a total compensation not to exceed \$6,331,513, subject to the review and approval of the City Attorney.
2. INSTRUCT the Personnel Department to ensure that the necessary insurance documentation meeting the limits deemed appropriate by the City Administrative Officer's (CAO) Risk Manager has been submitted through TRACK4LA, prior to executing the professional services agreement.

Fiscal Impact Statement: The CAO reports that funding is provided in the 2017-18 Human Resources Benefits Adopted Budget, Fund No. 100, Contractual Services Account No. 3040 for maintenance and support for the iVOS system, with no additional impact on the General Fund. The proposed First Amended and Restated Agreement complies with the City's Financial Policies in that the City's financial obligation is limited to funds budgeted for services rendered per the terms of the Agreement.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - AUGUST 12, 2017**

**(LAST DAY FOR COUNCIL ACTION - AUGUST 11, 2017)**

Summary:

On June 21, 2017, your Committee considered a June 9, 2017 CAO report relative to proposed First Amended and Restated Agreement (Contract No. C-120638) with Ventiv Technology to provide an integrated system for the management of workers' compensation claims data. According to the CAO, the Personnel Department is requesting approval to execute the First Amended and Restated (Amendment) Licensing and Professional Services Agreement C-120638 (Agreement) with Ventiv Technology to provide the computer system and software license, maintenance and support, hosting, and account manager services for the iVOS system, which manages the workers' compensation claims data. This Amendment extends the term of the Agreement for an additional three years with two one-year options to renew, effective June 30, 2017 through June 29, 2022 and adds \$3,251,192 to the Agreement's compensation limit for a total ceiling of \$6,331,513 for the ten-year term of the Agreement.

On June 26, 2012, Council approved a professional services agreement with Ventiv Technology to provide new, updated computer software and systems for the management of workers' compensation claims data (Council File No. 12-0811). Specifically, the Contractor would implement its iVOS claims administration systems software to replace three City applications, LINX (the workers' compensation claims management system), A-1 Law (the workers' compensation litigation system), and eFlo (the workers' compensation document imaging, management, and workflow system). The new iVOS system went live in May 2014.

On February 17, 2015, Council approved the First Amendment to the Agreement to recognize the Contractor's corporate reorganization and name change with no change to the Agreement's term and compensation limit. Annual contract expenditures consist of maintenance and support and hosting fees and may include expenditures for the implementation of additional modules and interfaces within the new system.

The proposed Amendment expands the scope of services to include IP blocking, which would prevent access to the iVOS system except by authorized locations, at a cost of \$15,000 annually. Additionally, a dedicated Account Manager will provide expedited responses to the Personnel Department's questions as well as assist with navigating the Contractor's internal organization. The City will be billed for the Account Manager on an hourly basis as services are used with an approximate cost of \$25,000 annually.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the First Amended and Restated Agreement (Contract No. C-120638) with Ventiv Technology. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KORETZ:	YES
RYU:	YES
HARRIS-DAWSON:	YES

ARL  
6/21/17

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**