

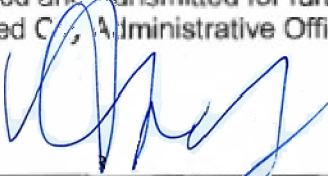
0150-09769-0002

TRANSMITTAL

TO The City Council City Attorney	DATE 6/13/17	COUNCIL FILE NO. 12-0811
FROM The Mayor	COUNCIL DISTRICT	

**Proposed First Amended and Restated Agreement to Contract No. C-120638
 with Ventiv Technology, Inc. to Provide Software Licenses,
 Maintenance and Support, and Professional Services for an Integrated System
 for the Management of Workers' Compensation Claims Data**

Approved and transmitted for further processing.
 See attached C, Administrative Officer report attached.



(Ana Guerrero)

MAYOR

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 06-09-17	C.D. No.	CAO File No.: 0150-09769-0002
Contracting Department/Bureau: Personnel Department		Contact: David Noltemeyer (213) 473-3374 Sherry Cox (213) 473-9122	
Reference: Personnel Department transmittal dated May 17, 2017; referred by Mayor for report on May 26, 2017			
Purpose of Contract: To provide computer software and system licenses, maintenance and support, hosting, and professional services for the management of workers' compensation claims data.			
Type of Contract: () New contract (X) Amendment		Contract Term Dates: June 30, 2012 to June 29, 2022 (includes two one-year options to renew)	
Contract/Amendment Amount: \$ 3,251,192			
Proposed amount \$ 3,251,192 + Prior award(s) \$ 3,080,321 = Total \$ 6,331,513			
Source of funds: Human Resources Benefits Budget Department No. 61; General Fund No. 100; Contractual Services Account No. 003040			
Name of Contractor: Ventiv Technology, Inc.			
Address: 5000 Executive Parkway, Suite 340, San Ramon, CA 94583			
	Yes	No	N/A*
1. Council has approved the purpose	X		8. Contractor has complied with:
2. Appropriated funds are available	X		a. Equal Employmt. Oppty./Affirm. Action
3. Charter Section 1022 findings completed	X		b. Good Faith Effort Outreach**
4. Proposals have been requested	X		c. Equal Benefits Ordinance
5. Risk Management review completed		X	d. Contractor Responsibility Ordinance
6. Standard Provisions for City Contracts included	X		e. Slavery Disclosure Ordinance
7. Workforce that resides in the City: 0 %			f. Bidder Certification CEC Form 50
			*N/A = not applicable ** Contracts over \$100,000

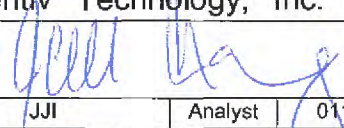
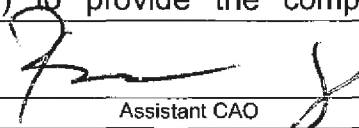
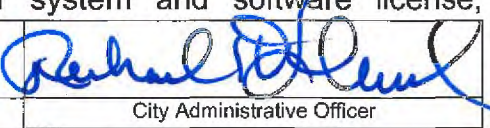
RECOMMENDATIONS

That the City Council:

- 1) Approve, and authorize the General Manager of the Personnel Department to execute, the First Amended and Restated Licensing and Professional Services Agreement (C-120638) with Ventiv Technology, Inc. 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; and
- 2) Instruct the Personnel Department to ensure that the necessary insurance documentation meeting the limits deemed appropriate by the Office of the City Administrative Officer's Risk Manager has been submitted through TRACK4LA, prior to executing the professional services agreement.

COMMENTS

The Personnel Department (Department) requests approval to execute the First Amended and Restated (Amendment) Licensing and Professional Services Agreement C-120638 (Agreement) with Ventiv Technology, Inc. (Contractor) to provide the computer system and software license,

 JJI	Analyst	01170074	 Assistant CAO	 City Administrative Officer
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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.

In June 2012, the Mayor and City Council approved and authorized the General Manager of the Personnel Department to execute a professional services agreement with the Contractor to provide new, updated computer software and systems for the management of workers' compensation claims data (C.F. 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. In February 2015, the Mayor and City 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 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.

In accordance with LAAC Section 10.5, City Council approval of the proposed Amendment is required because the cumulative term of the contract exceeds three years. The Contractor has complied with all City contracting requirements, with the exception of providing updated insurance documentation through TRACK4LA. The Department indicates this insurance documentation submission is in progress.

FISCAL IMPACT STATEMENT

Funding is provided in the 2017-18 Human Resources Benefits Adopted Budget, Fund No. 100, Contractual Services Account No. 003040 for maintenance and support for the iVOS system, with no additional impact on the General Fund. The proposed Amendment 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.