



Santa Clara Valley Water District

File No.: 19-0913

Agenda Date: 10/8/2019

Item No.: 8.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve Sole-Source On-Call Agreement with Vena Solutions, Inc., for On-Call Enhancements and Support Services for the Capital Improvement Program Development Project, Project Nos. 00074033, 00074038, and 60221001, CAS File No. 5027, for an Amount Not-to-Exceed \$302,000.

RECOMMENDATION:

Approve a Sole-Source On-Call Agreement with Vena Solutions, Inc., for On-Call Enhancements and Support Services for the Capital Improvement Program (CIP) Development Project, Project Nos. 00074033, 00074038, and 60221001, CAS File No. 5027, for a not-to-exceed total of \$302,000.

SUMMARY:

The Santa Clara Valley Water District (Valley Water) implemented a cloud-based budget and capital planning system in 2017 that allowed Valley Water to replace its outdated CIP and budget software to streamline processes for capital project planning. The implementation Agreement A4020A, enacted on September 13, 2016, with Vena Solutions, Inc., was for this purpose.

While the initial implementation is complete, further improvements to the software have been identified. This proposed Agreement will allow the consultant to provide enhancements, upgrades and improvements to data transfer, depiction and presentation, and improvements to technical requirements on an as-needed basis.

Staff recommends entering into the Agreement to provide support to Valley Water's CIP and Budget Office staff. The Agreement has a term of two years.

The Agreement with Vena Solutions, Inc. will be for a not-to-exceed fee of \$302,000. Consultant will deliver task-order-based services and support for the CIP module throughout the term of the Agreement. On-call services could also include interface optimization after the implementation of Valley Water's new Enterprise Resource Planning (ERP) system. This Agreement will not overlap with the existing Software as a Service (SaaS) Master Subscription Agreement for maintenance and licensing.

This Agreement will provide Valley Water with the following services on an on-call, as-needed basis per issuance of task orders:

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1. **Task 1 Project Management.** This includes project status tracking and reporting;
 2. **Task 2 Expert Managed Services.** This will provide CIP and Budget Office staff high-level support for 12 hours per month for the Vena software;
 3. **Task 3 Extended Expert/Hypercare Services.** This will provide an additional eight hours of in-depth support to Valley Water staff during the CIP and budget production phase between the months of October and April each year;
 4. **Task 4 Supplemental Services.** This task includes the provision for minor programming and enhancements of the Vena software to better serve Valley Water CIP and budget needs.

Project Background

Until the implementation of Vena, Valley Water's Budgeting, Financial Forecasting, and Capital Planning processes use separate applications that were developed in 2006. These were both custom applications developed specifically for Valley Water and had been rendered obsolete ten years later, as they did not provide enough flexibility to meet the business needs of Valley Water.

The Vena software was chosen through a competitive process to replace the outdated Budget and the Capital Dashboard tools. Agreement A4020A with Vena Solutions, Inc. was enacted on September 13, 2016 for the implementation of the Vena software for Valley Water's CIP program.

As part of the original implementation Agreement A4020A, the Software as a Service (SaaS) Agreement was signed on September 13, 2016. This agreement is for the licensing and basic maintenance of the Vena software on an annual subscription basis.

By fall 2017, the Vena software had been fully implemented and was in use for Valley Water's CIP and budget process.

Valley Water executed two amendments to Agreement A4020A. Amendment No. 1 added \$157,000 and extended the term of the agreement to December 31, 2018. Amendment No. 2 extended the term of the agreement to December 31, 2019.

The proposed On-Call Enhancements and Support Services Agreement with Vena will provide staff the necessary support it requires to complete the CIP and budget cycles and provide support during Valley Water's transition to the new Enterprise Resource Planning (ERP) system.

Consultant Selection Process

Vena Solutions, Inc. was initially selected as part of a competitive procurement process. Prior to enactment of the Agreement A4020A with Vena Solutions, Inc. for the implementation of the Vena software in September 2016, Valley Water issued a Request for Proposals (RFP) process on February 04, 2016. After extensive review and evaluation of RFP submissions, and after a best-and-final offer exercise with the top two firms, Valley Water's Consultant Review Board ranked Vena Solutions, Inc. as the highest rated firm.

Staff is proposing the subject sole-source on-call Agreement with Vena to continue to provide

necessary services. Pursuant to EL-5, Section 5.3.12.1, the interest of Valley Water cannot be served through a competitive procurement because only one firm exists that can provide the service of providing enhancements to the Vena cloud-based project tracking and budgeting software, and there is not an equivalent to meet Valley Water's minimum needs.

Therefore, staff recommends approval of the sole-source On-Call Enhancements and Support Services Agreement, CAS file No. 5027, with Vena Solutions, Inc. for a total not-to-exceed fee of \$302,000.

Consultant Agreement and Scope of Services

The recommended Agreement with Vena Solutions, Inc. includes the required tasks and budget to perform support for the Capital Program and Budget Office. Table 1 provides a list of the tasks included in the scope of services and the associated not-to-exceed fees.

TABLE 1. COST BREAKDOWN		
Task	Description	Not-to-Exceed Fees
1	Project Management	\$10,000
2	Expert Managed Services	\$72,000
3	Extended Expert/Hypercare	\$100,000
4	Supplemental Services	\$120,000
Total Not-to-Exceed Fees		\$302,000

In lieu of hourly or unit rates, a flat fee shall apply for all tasks performed under Task Nos. 2 and 3 for each 12-month period following the effective date of this Agreement and per the issuance of a corresponding task order. The 12-month flat fee for Task 2 shall be \$36,000, and the 12-month flat fee for Task 3 shall be \$50,000 payable at the start of the 12-month period following the issuance of a task order.

FINANCIAL IMPACT:

Funding for this Agreement will come from Project Nos. 60221001, 00074033 and 00074038. Sufficient funding to encumber funds for the first year of services is included in the adopted FY20 budget. Additional funds for future years will be budgeted in FY-21.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: SaaS Master Subscription Agreement

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Attachment 2: Agreement

UNCLASSIFIED MANAGER:
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