Title: Supplemental Agreement to Extend Citywide Web-Based Bidding Portal Contract (Two-Thirds Vote Required)

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or the City Manager’s designee to: 1) suspend competitive bidding in the best interest of the City; and 2) execute Supplement No. 3 to Agreement 2016-0439 with PlanetBids for the City’s web-based bidding portal extending the contract through October 31, 2021 and increasing the not-to-exceed amount by $110,000, for a total not-to-exceed amount of $238,000.

Contact: Lydia Brambila, Program Analyst, (916) 808-1229, Finance Department

Presenter: None

Attachments:
1-Description/Analysis
2-Background
3-Supplemental Agreement 2016-0439-3
Description/Analysis

Issue Detail: The City uses a web-based bidding portal, PlanetBids, to post the City’s public bids. PlanetBids was originally selected as the City’s bidding portal by the Procurement Services and Information Technology staff in 2011 and was awarded contract 2011-0583 in the amount of $85,000. In 2016, competitive bidding was suspended to award PlanetBids contract 2016-0439 in the amount of $85,000. Additionally, in 2018 contract supplement 1 and 2 were awarded to allow the City to continue to post public bids on the PlanetBids bidding portal, at which time the contract amount was increased to $128,000. The City determined it would be more cost effective to suspend competitive bidding based upon expected changeover costs and implementation costs, including the time required to train employees and external vendors on a new bidding portal if awarded to another vendor.

In May of 2019, the Procurement Services and Information Technology staff implemented a new platform within the City’s Oracle Peoplesoft system (eCAPS) for solicitation events, contract development and management: Automated Bids, Contracts, and Digital Signature (ABCDs). After implementation, the City determined that additional upgrades and enhancements were needed in order to successfully replace PlanetBids. The estimated implementation date proposed by the City’s IT team for the PeopleSoft bidding portal upgrades and enhancements is April 2021.

The current contract with PlanetBids is set to expire October 31, 2019. To meet the City’s public bidding requirements, it is in the best interest of the City to extend the current contract with PlanetBids through October 31, 2021, and increase the current contract amount by $110,000, for a total not-to-exceed amount of $238,000. This extension and increase allows time for the improvements to ABCDs and any potential ongoing bidding activities that may exceed the estimated implementation date. It also allows up to 20 new user licenses per year so additional City staff can access and post bids to PlanetBids.

Policy Considerations: This recommendation is consistent with the Sacramento City Code Contracts for Professional Services requirements (SCC section 3.64) and in accordance with Procurement Policy No. AP-4102.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns administrative activities and governmental fiscal activities that do not constitute a “project” as defined
by the CEQA Guidelines Sections 15378(b)(2) and 15378(b)(4) and are not subject to the provisions of CEQA (CEQA Guidelines Section 15060(c)(3)).

**Sustainability**: Not Applicable

**Commission/Committee Action**: Not Applicable

**Rationale for Recommendation**: Staff is recommending the extension of this contract to ensure City employees and vendors continue to have access to the PlanetBids bidding portal while the City continues to enhance and improve the ABCD bidding portal.

**Financial Considerations**: During the PeopleSoft bidding portal upgrade, additional PlanetBids user licenses will be needed so staff throughout the City can post and manage their bids. Annual fees for PlanetBids includes $4,500 for an Emergency Operations Module which provides the City with additional resources in sourcing items and services in the event of an emergency and $2,675 for individual user licenses for staff that need to post public bids. Currently the City has 7 active licenses on PlanetBids. The requested $110,000 contract increase will cover two years access to the emergency operations module and up to 20 user licenses per year. The cost for the Emergency Operations Module will be charged to the Procurement Services Division operating budget while the individual user licenses will be charged to the appropriate Department’s operating budget.

**Local Business Enterprise (LBE)**: The LBE participation requirements were waived for the original contract.
Background

Original Contract with PlanetBids, Inc.

Apr 29, 2011 Contract No. 2011-0583: Not-to-Exceed Amount: $85,000

The City migrated to the PlanetBids bidding platform after a computer virus fatally damaged the City’s previous internal bidding system.

Sole-Source Contract with PlanetBids, Inc.

A new Contract 2016-0439 was awarded to PlanetBids when the previous contract expired. This contract was awarded to continue the use of the essential web-based bidding portal services.


Supplements 1-2 (detailed below) increased Contract No. 2016-0439 to cover the cost of renewed licenses and to maintain access to the portal.

Mar 7, 2018 Supplement 1: Contract extended through April 28, 2019

Feb 12, 2019 Supplement 2: Contract extended through October 31, 2019 and increased to $128,000

Motion No. 2019-0070 passed on March 12, 2019 for Supplement 2.
CONTRACT SUPPLEMENT  
(Nonprofessional Services)

The City of Sacramento ("City") and PlanetBids, Inc. ("Contractor"), as parties to that certain Nonprofessional Services Agreement designated as Agreement Number 2016-0439, including any prior contract supplements modifying the agreement (the agreement and contract supplements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:
   - Contract is extended through 10/31/2021. The City of Sacramento will maintain the Emergency Module for $4,500 and the Sourcing Module for 8 user licenses.
   - Additional users will be added as needed based on the following prices:
     - Total Number of Users: 1-10 Price Per User: $2,575.00
     - Total Number of Users: 11-20 Price Per User: $2,475.00
     - Total Number of Users: 21-35 Price Per User: $2,375.00

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor’s fees and expenses, is increased by $110,000, and the Agreement’s maximum not-to-exceed amount is amended as follows:

   | Agreement’s original not-to-exceed amount: | $85,000 |
   | Net change by previous contract supplements: | $43,000 |
   | Not-to-exceed amount prior to this contract supplement: | $128,000 |
   | Increase by this contract supplement: | $110,000 |
   | New not-to-exceed amount including all contract supplements: | $238,000 |

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.

4. Contractor warrants and represents that the person or persons executing this contract supplement on behalf of Contractor has or have been duly authorized by Contractor to sign this contract supplement and bind Contractor to the terms hereof.

5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this contract supplement.

Approval Recommended By: ____________________________  
Project Manager  
9/16/19  
Approved By: ____________________________  
Contractor

Approved As To Form By: ____________________________  
City Attorney

Attested To By: ____________________________  
City Clerk

City of Sacramento  
Dawn Holm

(Rev. 9-17-12)