



Award Contract for Information Technology Outsourcing Services

Consent

Prepared by: Katie Brunetti

Attachments: No

Approved by: James Corless

Referring Committee: Not Applicable

1. Issue:

Award contract for information technology outsourcing services.

2. Recommendation:

That the board award a contract not to exceed \$500,000 for IT outsourcing services for three years and authorize the executive director to execute the agreement.

3. Background/Analysis:

Prior to 2018, SACOG had full-time IT staff. As technology has evolved and outsourcing options have improved, SACOG decided to outsource most of its IT needs, with a management analyst overseeing consultants. In 2018, the board approved the release of a Request for Proposals (RFP) for IT consulting services. SACOG entered into a contract with Network Design Associates in January 2019, to provide these services for the agency. That contract concludes in January 2024.

At its June 15, meeting, the Board of Directors authorized the release of a request for proposals (RFP) for SACOG's outsourced IT services. The RFP was posted on October 12, and it closed on November 2. Nine firms submitted proposals. An evaluation panel of SACOG staff and the Deputy Executive Director for Operations reviewed all proposals and interviewed the top three firms.

4. Discussion/Analysis:

The evaluation panel recommends the selection of Apex Technology Management to provide SACOG with IT services.

The desired start date for the new contract is January 1, 2024. The recommended contract term will be three years, with one optional two-year extension.

The proposed cost in the RFP was set to not exceed \$250,000 for the initial three years. Based on the technical review of proposals conducted by staff, the original budget is not adequate for current market rates to meet SACOG's needs. Given the varying cost of proposals, the increasing value of consistent IT services, and the desire for staff to focus their time in other areas outside of IT, staff is proposing setting an initial contract value not to exceed \$500,000 for the initial three years, including annual costs of \$147,780, one-time implementation cost of \$10,750, and contingency costs of \$45,910 for unspecified IT projects that may be

required over the life of the contract. Even with an increase in budget, this outsourcing approach is more cost-effective for SACOG to have comprehensive IT services from help desk services all the way up to strategic planning than it would be to hire all the required expertise on staff.

5. Fiscal Impact/Grant Information:

The budget for IT outsourcing is included in the final 2023-2024 Budget and OWP.