

MARIPOSA COUNTY

Administration • 966-3222



RESOLUTION - ACTION REQUESTED 2019-99

MEETING: February 19, 2019

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: Approve an Agreement with GFOA to Provide Consulting Service on the ERP Selection and Contracting

RECOMMENDATION AND JUSTIFICATION:

Approve an Agreement with GFOA to Provide Consulting Service on the Enterprise Resource Planning (ERP) System Business Process Improvements Discussion, Requirements Setting, System Selection, and Vendor Contracting Process in the Not-To-Exceed Amount of \$99,500; and Authorize the Board of Supervisors Chair to Sign the Agreement.

There are many challenges associated with the current ERP system. New technologically savvy County employees struggle to adapt to a DOS-based program because it is so old. Information cannot be retrieved in a format that can be analyzed. Significant staff time is spent translating ERP data into reports, doing data analysis and data entry.

Online capabilities for the community and employees are difficult to achieve with the current ERP system. Back-end departmental integration and resource tracking is also missing from the current ERP implementation.

AS400 is reaching its end-of-life, following a respectable 38-year run. It is truly ancient in software-years. It is likely that the system will not be supported by the manufacturer much longer.

Solicitation for proposals was distributed by email to professional organizations and networks and a few individual consulting firms. Five proposals were received by the end of the bid period on January 4, 2019. A review team including representatives from administration, public works, planning, auditor, health and human services, and technical services departments / divisions have read the proposals, interviewed the top candidates, and checked at least three references for each of the top three bidders. Based on this process, staff recommends entering an agreement with GFOA. It is the appropriate time to award the contract and begin the process.

The recommended contract period for the successful bidder will be in effect from the date it is approved February 19, 2019 to December 31, 2020. Sufficient funding for the contract expenditures in Fiscal Year 2019 will be transferred to the Administration budget from Probation Community Corrections 432 during the Mid-Year Adjustments process which will come before the board in a few weeks.

Resolution - Action Requested 2019-99

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The County frequently contracts with outside consultants to assist with special tasks requiring expertise which current County staff do not have. The process analysis, requirements setting, vendor evaluation, and contract negotiation associated with this effort have the potential to improve the quality of Mariposa County government operations and community services now and for many years to come. Most government employees involved in a decision like this will only do so once in their careers. With the support of a seasoned consultant we hope to make the best decisions in this effort on behalf of the County.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not award the bid; direct staff to perform another RFP; or forgo consultant support in the ERP system selection and contract negotiation.

FINANCIAL IMPACT:

Sufficient funding will be transferred from Probations Community Corrections budget 432 in the FY19 Mid Year Adjustments to the Technical Services Budget in Professional Services 001-0151-506.04-19 to support Consulting Fees through the end of FY19

ATTACHMENTS:

ERP Agreement with Termination Date (PDF)

RESULT: ADOPTED [UNANIMOUS]

MOVER: Merlin Jones, District II Supervisor

SECONDER: Marshall Long, District III Supervisor

AYES: Smallcombe, Jones, Long, Cann, Menetrey

**AGREEMENT FOR ENTERPRISE RESOURCE PLANNING (ERP)
CONSULTANT TO SUPPORT SOFTWARE REQUIREMENTS DEVELOPMENT,
VENDOR SELECTION, AND CONTRACT NEGOTIATION**

THIS AGREEMENT (“Agreement”) is made and entered into this 19th day of February, 2019, by and between the County of Mariposa, a political subdivision of the State of California, (“County”), and Government Finance Officers Association (GFOA) (“Contractor”), pursuant to the following terms and conditions.

WITNESSETH:

1. TERM

The term of this Agreement shall commence on the date first hereinabove written, and shall continue until all authorized work is approved by the County or December 31, 2020, whichever is earlier.

2. SERVICES

Contractor shall work with County staff to manage the process of identifying best business practices in County work processes; developing requirements based on those best practices; managing the Request for Proposals (RFP) process for a new Enterprise Resource Planning (ERP) system; guiding the County in the selection process; and negotiating the vendor contract on behalf of the County as described in Exhibit A, “Scope of Work,” which is attached hereto and incorporated herein by reference. Contractor shall provide all staffing and materials necessary to perform the Scope of Work.

3. COMPENSATION

Contractor shall be compensated for services performed in an amount not to exceed \$99,500. The contract will be paid on a fixed-price per-milestones-achieved basis. In other words, Mariposa County will issue payments to Contractor based on the successful achievement of identified milestones. Unless otherwise stated, the County agrees to confirm acceptance of deliverables within twenty (20) business days. If a deliverable is not accepted, the County must state in writing to the GFOA Project Manager the changes needed to the deliverable to gain acceptance. The County shall pay Contractor within thirty (30) days of approval of milestone deliverable.

4. INSURANCE

Contractor shall procure and maintain for the duration of the agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

(1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

(2) Automobile Liability: ISO Form Number CA 00 01 covering any auto, (Code 1), or if Contractor has no owned autos, hired (Code 8) and non-owned autos (Code 9), with limits no less than \$1,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

(4) Professional Liability (Errors and Omissions): Insurance appropriate to the Contractor's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

A. OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provision:

(1) Additional Insured Status: The County, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 forms if a later edition is used).

(2) Primary Coverage: For any claims related to this Agreement, the Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

(3) Notice of Cancellation: Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the County.

(4) Waiver of Subrogation: Contractor hereby grants to County a waiver of any right to subrogation which any insurer of said Contractor may acquire against the County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

(5) Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

(6) Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the County.

(7) Verification of Coverage: Contractor shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

(8) Subcontractors: Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors.

(9) Special Risks or Circumstances: County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

5. HOLD HARMLESS/INDEMNIFICATION

Contractor shall hold harmless, defend and indemnify County and its officers, employees, agents, and volunteers, from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of County.

6. INDEPENDENT CONTRACTOR

It is the expressed intention of the parties that Contractor is an independent contractor and not an employee, agent, joint venturer or partner of County. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between County and Contractor or any employee or agent of Contractor. Both parties

acknowledge that Contractor is not an employee for state or federal tax purposes. Contractor shall retain the right to perform services for others during the term of this Agreement.

7. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS)

In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement is determined by a court of competent jurisdiction or the Public Employees Retirement System (CalPERS) to be eligible for enrollment in CalPERS as an employee of the County, Contractor shall indemnify, defend, and hold harmless County for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of County.

8. STATE AND FEDERAL TAXES

As Contractor is not County's employee, Contractor is responsible for paying all required state and federal taxes. In particular:

- a. County will not withhold FICA (Social Security) from Contractor's payments;
- b. County will not make state or federal unemployment insurance contributions on behalf of Contractor;
- c. County will not withhold state or federal income tax from payment to Contractor;
- d. County will not make disability insurance contributions on behalf of Contractor;
- e. County will not obtain workers' compensation insurance on behalf of Contractor.

9. ASSIGNMENT

It is understood and agreed that this Agreement contemplates personal performance by the Contractor and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Contractor under this Agreement will be permitted only with the express written consent of the County.

10. NOTICE

Any and all notices, reports or other communications to be given to County or Contractor shall be given to the persons representing the respective parties at the following addresses:

CONTRACTOR:
Mike Mucha, Director, Research and Consulting Center
Government Finance Officers Association (GFOA)
203 North LaSalle Street, Suite 2700
Chicago, IL 60601-1210
Fax: 312.977.4806

COUNTY:
Dallin Kimble, County Administrative Officer
County of Mariposa
5100 Bullion Street
Mariposa, CA 95338
Fax: (209) 966-5147

11. COMPLIANCE

Contractor shall comply with all federal, state and local laws, codes, ordinance and regulations applicable to Contractor's performance under this Agreement, including, but not limited to, laws related to prevailing wages. Specifically, Contractor shall not engage in unlawful employment discrimination, including, but not limited to, discrimination based upon a person's race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship or sexual orientation, as prohibited by state or federal law.

12. PUBLIC RECORDS ACT

Contractor is aware that this Agreement and any documents provided to the County may be subject to the California Public Records Act and may be disclosed to members of the public upon request. It is the responsibility of the Contractor to clearly identify information in those documents that it considers to be confidential under the California Public Records Act. To the extent that the County agrees with that designation, such information will be held in confidence whenever possible. All other information will be considered public.

13. ENTIRE AGREEMENT AND MODIFICATION

This Agreement contains the entire agreement of the parties relating to the subject matter of this Agreement and supersedes all prior agreements and representations with respect to the subject matter hereof. This Agreement may only be modified by a written amendment hereto, executed by both parties; however, matters concerning the scope of services which do not affect the agreed price may be modified by mutual written consent of the Contractor and the County Administrative Officer. If there are exhibits attached hereto, and a conflict exists between the terms of this Agreement and any exhibit, the terms of this Agreement shall control.

14. ENFORCEABILITY AND SEVERABILITY

The invalidity or enforceability of any term or provisions of this Agreement shall not, unless otherwise specified, affect the validity or enforceability of any other term or provision, which shall remain in full force and effect.

15. TERMINATION AND RIGHTS UPON TERMINATION

A. This Agreement may be terminated upon mutual written consent of the parties, or as a remedy available at law or in equity. In the event of the termination of this Agreement, Contractor shall immediately be paid all fees earned as of the effective date of termination.

B. Either party may terminate this Agreement for convenience upon fourteen (14) calendar days' written notice to the other party. Upon termination for convenience, Contractor shall be entitled to compensation for services performed acceptably up to the effective date of termination, as set forth in Exhibit B.

C. Should Contractor default in the performance of this Agreement or materially breach any of its provisions, County, at its option, may terminate this Agreement by giving

written notification to Contractor. The termination date shall be the effective date of the notice. For the purposes of this subsection, default or material breach of this Agreement shall include, but not be limited to, any of the following: failure to perform required services in a timely manner, willful destruction of County property, dishonesty, or theft.

D. If County terminates this Agreement for default or material breach, then Contractor shall be liable for any reasonable costs in excess of the Agreement amount incurred by County in order to complete Exhibit A, "Scope of Work." In addition, Contractor understands and agrees that County may, in County's sole discretion, refuse to pay Contractor for that portion of Contractor's services which were performed by Contractor prior to the termination date and which remain unacceptable to County as of the termination date.

16. NO WAIVER

The failure to exercise any right to enforce any remedy contained in this Agreement shall not operate as to be construed to be a waiver or relinquishment of the exercise of such right or remedy, or of any other right or remedy herein contained.

17. DISPUTES

Should it become necessary for a party to this Agreement to bring an action in connection with this Agreement, the prevailing party in any claim or action shall be entitled to reimbursement for all expenses so incurred, including reasonable attorney's fees.

It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a court of competent jurisdiction in the County of Mariposa, State of California.

18. CAPTIONS

The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

19. NUMBER AND GENDER

In this Agreement, the neutral gender includes the feminine and masculine, the singular includes the plural, and the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

20. MANDATORY AND PERMISSIVE

"Shall" is mandatory. "May" is permissive.

21. SUCCESSORS AND ASSIGNS

All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

22. COUNTERPARTS

This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

23. OTHER DOCUMENTS

The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and, to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

24. CONTROLLING LAW

The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

25. AUTHORITY

Each party and each party's signatory warrant and represent that each has full authority and capacity to enter into this Agreement in accordance with all requirements of law. The parties also warrant that any signed amendment or modification to the agreement shall comply with all requirements of law, including capacity and authority to amend or modify the Agreement.

26. NEGOTIATED AGREEMENT

This Agreement has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this Agreement within the meaning of California Civil Code section 1654. Each party represents and warrants that in executing this Agreement it does so with full knowledge of the rights and duties it may have with respect to the other party. Each party also warrants and represents that it has received independent legal advice from its attorney with respect to the matters set forth in this Agreement and the rights and duties arising out of this Agreement, or that such party willingly foregoes any such consultation.

27. NO RELIANCE ON REPRESENTATIONS

Each party warrants and represents that it is not relying and has not relied upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this Agreement, have been independently verified. Each party further understands that it is responsible for verifying the representations of law or fact provided by the other party.

28. WARRANTY

County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby warrants that all work shall be performed in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor’s work by County shall not operate as a waiver or release.

29. FUNDING AVAILABILITY


It is mutually agreed that if the County budget of the current fiscal year and/or any subsequent fiscal years covered under this Agreement does not appropriate sufficient funds for this Agreement, this Agreement shall terminate and be of no further force and effect upon the day notice is provided by County to Contractor of such event. Upon termination of this Agreement, the County shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement except for services rendered prior to such termination and Contractor shall not be obligated to perform any provisions of this Agreement. Contractor’s assumption of risk of possible non-appropriation is part of the consideration for this Agreement. County budget decisions are subject to the discretion of the Board of Supervisors.


If funding for any fiscal year is reduced or deleted by the County budget for purposes of this Agreement, the County shall have the option to either cancel this Agreement with no liability occurring to the County, except County must reimburse Contractor for services rendered prior to such reduction or modification of the County budget, or offer an Agreement amendment to Contractor to reflect the reduced amount.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

COUNTY OF MARIPOSA

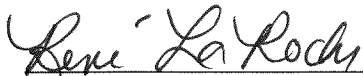
CONTRACTOR


Miles Menetrey, Chair
Board of Supervisors
Mariposa County


Mike Mucha, Director
Research and Consulting Center
Government Finance Officers Association

ATTEST:

APPROVED AS TO FORM:


Rehe LaRoche
Clerk of the Board

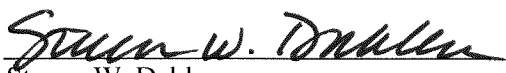

Steven W. Dahlem
County Counsel

Exhibit A
SCOPE OF WORK

I. Scope of Work

- A. Develop and document existing (as is) and proposed (to be) functional and data requirements, including business process work flow for all County departments utilizing the new ERP software.
- B. Prepare a Request for Proposals (RFP) to be issued by the County for new ERP software and implementation services that will allow for thorough comparison of all qualified vendors. The RFP must be prepared in compliance with the County Purchasing Code and applicable California Statutes.
- C. Lead the County through the ERP software selection process including coordinating software demonstrations and on-site visits. Assist with the identification of potential risks and issues to ensure the County makes a quality selection decision, which achieves the County's ERP requirements.
- D. Participate in contract negotiations with selected vendor to insure a performance-based contract, where milestones are paid when accomplished.
- E. Review property tax collection software system plan and contract for compatibility with the ERP system and assurances that all necessary factors have been considered and included.
- F. Perform the duties of an Executive Project Manager through all phases of this project.
 - 1. Act as a liaison between the executive stakeholder team, project team, vendor(s) and County staff.
 - 2. Work with vendor and project team to develop and manage a comprehensive project plan, detailing project stages, milestones and resources.
 - 3. Manage the change management process with oversight from the Assistant CAO.
 - 4. Insure adequate knowledge transfer to County staff to configure, manage, operate and support the new ERP software.
 - 5. Provide project status reports and deliver presentations as deemed appropriate by the Executive Stakeholders.

II. Project Deliverables

- A. Project documents necessary to support a project of this size – project plan, communications plan, executive status reports, etc.
- B. Requirements Analysis Report detailing the functional and data requirements, including business process work flow needed for the new ERP system.
- C. Completed RFP for new ERP software and implementation.
- D. Evaluation and recommendation of vendor proposals for the new ERP software.

- E. New ERP vendor contract negotiated with the best interests of the County and all needs included.

III. Additional Scope of Work Notes from GFOA

- A. The County's staff will be reasonably available for interviews and will participate in the project as agreed upon and appropriate. The County agrees not to cancel meetings once established (which would increase our travel costs).
- B. Unless otherwise stated, the County agrees to confirm acceptance of deliverables within twenty (20) business days. If a deliverable is not accepted, the County must state in writing to the GFOA Project Manager the changes needed to the deliverable to gain acceptance.
- C. The GFOA conducts the majority of the engagement work on a fixed-fee engagement, where payment is due upon completion of deliverables. If any work is to be billed using a time and expense method, the time and expense portion of the engagement will be billed on a monthly basis at the hourly rate of \$225/hour. Note: All services are currently proposed as fixed price.
- D. When performing work on-site, GFOA staff will be provided appropriate workspace and access to copiers, projectors, workspace, and miscellaneous office supplies if necessary.
- E. As an educational, nonprofit, professional membership association, the GFOA reserves the right to publish non-confidential documents describing the results of, or created during, the services described in this scope of work. The GFOA will not publish any item with the name of the County without obtaining prior written consent of the government.
- F. GFOA is a nonprofit membership association made up of members representing organizations like the County. Therefore, the GFOA's liability and indemnification under any agreement reached with your organization will be limited to the extent of claims paid by insurance coverage currently in force.
- G. The County recognizes that GFOA's role is to provide information, analysis and advisory services. As such, GFOA bears no responsibility for the performance of the software, hardware, or implementation service suppliers.