

Sole Source Request Form Instruction Sheet

COUNTY POLICY ON SOLE SOURCE CONTRACTS:

It is the policy of the County of Orange to solicit competitive bids and proposals for its procurement requirements. Per the Contract Policy Manual, a sole source procurement shall not be used unless there is clear and convincing evidence that only one source exists to fulfill the County's requirements, CPM section 4.5. All sole source purchases requiring Board of Supervisors approval shall be justified as meeting the sole source standard in the Agenda Staff Report. The Agenda Staff Report shall clearly state that it is a sole source procurement. The Sole Source Justification, as described below, shall be attached within the Agenda Staff Report (CPM, Section 4.5)

SECTION I – INSTRUCTIONS FOR COMPLETING THE ATTACHED FORM (To be completed by the department's end-user, Program Manager, or Subject Matter Expert)

- 1. Formal justification is required for sole source procurements when competitive bid guidelines require pricing from competing firms.
- 2. A written justification will be prepared by the department and approved by the department head or designee.
- 3. Prior to execution of a contract, the County Procurement Officer or designee shall approve ALL sole source requests for commodities that exceed \$250,000 annually, services exceeding \$75,000 annually and all Board contracts despite the amount. Board approval is required for all sole source contracts for commodities that exceed \$250,000 annually and services exceeding \$75,000 annually or a two (2) year consecutive term, regardless of the contract amount. Any amendments to Board approved sole source contracts require a new sole source form.
- 4. If vendor is a retired, former Orange County employee, CEO Human Resource Services shall approve the sole source request, regardless of the sole source amount.
- 5. Valid sole source requests will contain strong technological and/or programmatic justifications. Requests will explain how it is a sole source purchase, provide a clear and convincing justification and detail the purchasing history (who, what, when, how and where).
- 6. Sole source procurements may be approved based upon emergency situations in which there is not adequate time for competitive bidding.
- 7. Sole source requests for Human Service contracts will be guided by the regulations of the funding source.
- 8. Each question in Section II of this form must be answered in detail and the form signed by the department head with concurrence of the Deputy Purchasing Agent.
- 9. All sole source request forms must be entered into the County's online bidding system along with its supporting documentation.
- 10. The Deputy Purchasing Agent (DPA) shall retain a copy of the justification/approval as part of the contract file.
- 11. Request for Solicitation Exemption (For purchases with special circumstances, and/or when it is determined to be in the best interest of the County) check the Solicitation Exemption box and complete additional question no 8.



Sole Source Request Form

Sole Source # 017-C028836-YG-SS

SECTION II – DEPARTMENT INFORMATION (Complete in its entirety)

| Risk Management Office | | 10/28/2021 | 10/28/2021 | | | | |
|---|--|---|--|----------------------------|--|--|--|
| Vendor Name: Riskonnect, Inc. | | Sole Source E 017-C02883 | Sole Source BidSync Number: 017-C028836-YG-SS (Contract #MA-017-22010011) | | | | |
| Is the above-named vendor a retired employee of the County of Orange? Yes No If "Yes", review and Approval is required from CEO Human Resource Services prior to contract execution. | | | | | | | |
| 12/10/2021 to 12/09/2026 Fun 293 214 | | * * | | Proprietary? ⊠ Yes □ No | | | |
| Contract Amount? \$ 571,069.20 | | | ible? If yes, how many yea two-year term | rs? | | | |
| | Multi-Year [|] Renewal | ☐ Amendment | ☐ Increase | | | |
| Renewal Year: Not Applicable | | Did vendor provide a sole source affidavit? Yes No If yes, please attach Attached | | | | | |
| TBD TBD C | | Contract is scheduled | not scheduled to go to the Board explain why? ontract is scheduled to go to the Board. | | | | |
| Does Contract include Non-Standard Language? If yes, explain in detail. Yes, all Articles have been modified. | | | | | | | |
| Was Contract Approved by Ris Yes, reviewed and approved I | t Approved by County Cou d and approved by County | insel? Counsel. | | | | | |
| Were any exceptions taken? If yes, explain in detail. Yes, terms are non-standard (see attached). | | | | | | | |
| DPA certifies that they have read and verified that the information is true and satisfies the sole source requirements listed in the County Contract Policy Manual. | | | | | | | |
| Solicitation Exemption (For purchases with special circumstances, and/or when it is determined to be in the best interest of the County.) | | | | | | | |



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SECTION III – SOLE SOURCE JUSTIFICATION

- Provide a description of the type of contract to be established. (Example: is the contract a commodity, service, human service, public works, or other please explain.) Attach additional sheet if necessary.
 This is a hybrid contract for proprietary software license and maintenance services.
- 2. Provide a detailed description of services/commodities and how they will be used within the department. If this is an existing sole source, please provide some history of its origination, Board approvals, etc. (This information may be obtained from the scope of work prepared by the County and the vendor's proposal that provides a detailed description of the services/supplies.) Attach additional sheet if necessary.

In 2011, the County performed an audit of the CEO Office of Risk Management. The audit was completed on January 2012 and one of the key recommendations was for CEO Office of Risk Management was to "...pursue the development of a new "Liability Claims Information System" that will facilitate the collection, analysis and reporting of risk data for operational managers and policy makers". This Agenda item addresses this recommendation.

As a result of this audit in December 2012, the County Procurement Office (CPO) on behalf of the CEO Office of Risk Management issued a request for proposals (i.e., RFP 017-725001-RR) for a RCMIS Solution. Riskonnect, Inc. was recommended as the most responsible, responsive bidder. While the original contract was awarded as a result of a competitive bid process as noted above, the system is now comprised of software custom configurations and workflows. Riskonnect Inc. is the developer of the original system and is the only vendor with the knowledge of the database structure, workflow engine and communication mechanisms between the database and the various applications within the program. Another vendor would be unfamiliar with the proprietary core software, custom configurations and the County of Orange business rules and processes and would be ineffective at remediating system issues. As such, the proposed Contract MA-017-22010011 is a sole source contract and a Sole Source Request Form and a copy of contractor's affidavit is attached to this Agenda Staff Report.

This is a Risk Management Information System (RMIS) that is run on Salesforce (customer relationship management (CRM) platform). The system allows CEO/Risk Management staff to enter all data on claims, litigation, incidents, policies, property schedules etc. into the custom configured systems to enable the adjustment of claims and litigation on-line. This system allows CEO/Risk Management to create Metrics reports for use with departments, Board of Supervisors reports, internal use and answering Public Records Act (PRA) requests from the public.

CEO/Risk Management claims/clerical/management staff use the license to access Riskonnect, the proprietary RMIS customized for the County of Orange. This license and maintenance are proprietary software to Riskonnect, Inc. (see attached). This is for the license to use the custom software the County created with Riskonnect 7 years ago and has been modified as needed during that time. The cost and time to create this system was over \$800K and over six (6) months of coordinated work between Contractor Administrative/IT staff and County Administrative/IT Staff.

3. Explain why the recommended vendor is the only one capable of providing the required services and commodities. How did you determine this to be a sole source and what specific steps did you take? Please list all sources that have been contacted and explain in detail why they cannot fulfill the County's requirements. Include vendor affidavit and/or other documentation which supports your sole source. (Responses will include strong programmatic and technological information that supports the claim that there is only one vendor that can provide the services and/or commodities. Your response will include information pertaining to any research

that was conducted to establish that the vendor is a sole source, include information pertaining to discussions with other potential suppliers and why they were no longer being considered by the County.) Attach additional sheet if necessary.

The proprietary software license and services were purchased through a Request for Proposal (RFP) in 2012. The contract was awarded to Riskonnect, Inc. and approved by the Board of Supervisors on December 10, 2013. The contract was then renewed and approved by Board of Supervisors on October 16, 2018.

This "customizable" risk management system allows CEO/Risk Management staff to create, update, modify and monitor a full customizable database to oversee the CEO/Risk Management duties and responsibilities.

Riskonnect has been working with CEO/Risk Management Office staff to customize the RMIS to meet our County needs and requirements. The start-up/data base transfer, and creation of Insurance Terms, Legal Calendar, Cause Codes, Coverage Codes, data and paperless file notes, scheduling, authority and review took several months to accomplish a solid Risk Management system. The implementation/set up costs were extensive and the staff time that it took to coordinate and collaborate with all participants was also of high cost and time consuming. Since the startup, CEO/Risk Management staff and Riskonnect continue to work together and adjust the system to meet the everchanging needs of the County and to maintain and expand the use within the office of CEO/Risk Management. The license for this platform is proprietary software to Riskonnect., Inc. (see attached). Because this is proprietary software, only Riskonnect employees may service the software, make our requested changes and ensure the system continues to operate smoothly.



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Sole Source # 017-C028836-YG-SS

4. How does recommended vendor's prices or fees compare to the general market? Attached quotes for comparable services or supplies. Attach additional sheet if necessary.

We have not been able to obtain a comparable vendor's price due to the extensive customization of this software; however, the prices seem to be within the general market. There are other RMIS available that do substantially the same system utilities that are currently provided under Riskonnect, Inc.; however, we are not looking to replace the system and use of any other system would require extensive customization and related cost to meet County specifications.

5. If the recommended vendor was not available, how would the County accomplish this particular task? Attach additional sheet if necessary.

If the recommended vendor was not available, the County Risk Management Office would have to release a new solicitation and go through an implementation and start-up phase, including gathering data from County departments. It is more advantageous to the County to maintain and support the existing database with Riskonnect, Inc. than solicit for new services and incur additional costs. The current RMIS exceeds or is equivalent to the RMIS on the market today. Because this is customized software to the County of Orange, and we continue to customize the system to meet our everchanging needs, the ability to re-create that with a different vendor's system would incur set-up and implementation costs. The County would also be required to collect and collaborate with various staff to re-create a system that already exists and exceeds County requirements.

Another option would be to revert back to the use of paper calendars and files, resulting in untimely responses to time-sensitive Public Record Act requests related to litigation and claims, using a file card system for pendings (claim files), moving files from file room to each adjuster's desk, and increase staffing to be able to continue to report claims and litigation to departments and the Board of Supervisors.

| Through the normal County of Orange vetting process, Riskonnect, Inc. has had no name change within the las |
|---|
| seven years and no judgements or litigation on public record. |

Please provide vendor history – name change, litigation, judgments, aka, etc. for the last 7 years.

| 7. | If vendor is a retired, former employee, has the vendor previously been rehired as a contractor within the | | | | | |
|----|--|------------------|--|--|--|--|
| | last three years? | \square Yes | ■ No. If yes, provide explanation/support for hiring the retired | | | |
| | former employee as a vendor and provide | e contract dates | es, scope of work, and total amounts paid under each contract. | | | |
| | Not applicable | | | | | |

8. Explain (in detail) why a request for Solicitation Exemption is needed. (Only applicable for Solicitation Exemption)

Attach additional sheet if necessary.

Not applicable



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| SECTION IV – AUTHOR/REQUESTOR | | | | |
|---|-------------------------|--|--|--------------------|
| Signature: May Slotter | Print Name: | TOPFORTH | Date: | 3/21 |
| SECTION V – CEO Human Resource Serv | | view and approval is re rmer Employee.) | quired when ve | ndor is a Retired, |
| Signature: | Print Name: | | Date: | |
| SECTION VI – DEPUTY PURCHASING AG | ENT CONCURRENCE | | | |
| Signature: Jouen Grance | Print Name: | la guzman | Date: ///09/ | /2021 |
| SECTION VII – DEPARTMENT HEAD APP | ROVAL | | | |
| Signature: Michelle Aguirre | Print Name: Michelle Ag | uirre | Date: 11-9-21 | |
| Prior to execution of a contract, the | County Procurement | | | |
| Commodities that exceed \$250,000, Carequire Board approval despite the amo | | | | |
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| Board of Supervisor Notification Date | | | powers independent and the second | |
| Comments: | | | | |
| CPO: □Approved □ | □Denied | CFO: | □Approved | □Denied |
| CPO Authorized Signature: | Date: | CFO Authorized Sign | ature: | Date: |
| | | | | |

Welcome Yaguzman | Logout Need assistance? Contact us or call 800-990-9339



Home Search Source Contracts Purchasing Tools Release Bid Workflow **Bid Information** Name: Yarida Guzman Phone: 7145677368 **Bid Number:** Email: Yarida.Guzman@ocgov.com 017-C028836-YG-SS Status: Submitter Nov 9, 2021 2:50:47 PM PST **Bid Title:** Risk And Claims Management Information System Jeff M Miller (for CPO SS Routing (Group)) Solution Jeff M Miller Yarida Guzman (for Procurement Operations Unit (Group)) Submitter Approved Approved Status Status: Approved View Workflow History Close

Questions? Contact a Periscope Source representative: 800-990-9339 or email: source-support@periscopeholdings.com

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