ITEM
3.17
(ID # 8844)

MEETING DATE:
Tuesday, February 5, 2019

FROM : PURCHASING AND FLEET SERVICES:

SUBJECT: PURCHASING & FLEET SERVICES: Approval of Amendment No. 3 with Huron Consulting Service LLC for Implementation and Integration Project Management Services; All Districts [$351,000 - RDA Capital Improvement Fund Available Fund Balance 86% and RUHS - Medical Center Enterprise Fund 14%] 4/5th Vote

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Amendment No. 3 to the Agreement for Professional Services with Huron Consulting Services LLC, for implementation and integration project management services extending the period of performance from February 1, 2019 to August 31, 2019 and increasing the contract amount by $351,000 to a total contract amount not to exceed $1,525,971, and authorize the Chairman of the Board to sign the amendment on behalf of the County;

2. Approve and direct the Auditor-Controller to make the budget adjustments on Schedule A; and,

3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that do not change the substantive terms of the Agreement.
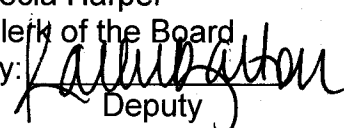
ACTION:

Teresa Summers, Director of Purchasing   1/30/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None   Kecia Harper
Absent: None   Clerk of the Board
Date: February 5, 2019   By:
xc: Purchasing, Auditor   Deputy

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	$ 301,000	$ 50,000	$ 351,000	$ 0
NET COUNTY COST	0	$ 0	$	$ 0

SOURCE OF FUNDS: RDA Capital Improvement Fund Available Fund Balance 86% and RUHS-Medical Center Enterprise Fund 14%	**Budget Adjustment:** Yes
	For Fiscal Year: 18/19 – 19/20

C.E.O. RECOMMENDATION: Approved

BACKGROUND:
Summary

Summary
On October 3, 2017, (M.O. 3-22) the Board of Supervisors approved the purchase of Jaggaer modules for implementation of a countywide eProcurement/contract management system and approved an agreement with Huron to assist with implementation of the new system. The eProcurement system (RivcoPRO) will set in place shared technology that will eliminate duplication of manual processes, provide a central repository of all contracts, provide tracking of contract spend, electronic invoice receipt, notification of contract renewals, and gain efficiencies in other procurement related activities. The exact cost savings achieved will be determined by the department as they eliminate manual processes and increase efficiencies.

The RivcoPRO implementation is ongoing with the pilot departments (Purchasing, RCIT, Department of Public Social Services, and Auditor Controller) currently utilizing the system for their procurement activities including releasing bids, placing orders, approval of orders, receiving, receiving electronic invoices, processing payment, and tracking of all of these activities.

Huron has expertise in the implementation and technical integration of the new system and both Purchasing and RCIT have relied heavily on their ability to identify system integration issues and efficiently work to resolve issues. County staff does not currently have the full breadth of expertise associated with the integration tools and support of the new eProcurement system. Additional technical support from Huron is requested for a period not to exceed seven months to assist in the successful implementation of the balance of the county departments and to provide technical training knowledge transfer to RCIT for ongoing integration support.

The amendment has been approved as to form by County Counsel.

Additional Fiscal Information:

Costs for the new system began in FY17/18 which included a minimal finance obligation of $100,000 and RCIT staff costs. Purchasing was able to absorb $80,000 of the finance costs with the balance of $20,000 offset by an allocation from general fund. RCIT absorbed staff costs for FY17/18. FY18/19 is the first year departments will be charged a cost allocation for the system of $351,694. FY19/20 through FY22/23 will be a larger allocations to departments as a result of the financing mechanism to offset the initial implementation and first two year's subscription costs.

To avoid an increase to county departments in FY18/19, Purchasing consulted with the Executive Office to identify a source of funding to cover this one-time extension of services to complete the implementation of the project. The Executive Office has recognized RivcoPRO as a countywide system and therefore considers it a capital project. Also, the implementation services are a one-time cost allowing for the use of residual successor agencies pass-through amounts allocated for capital projects. Additionally, the Riverside University Health System (RUHS) will provide a $50,000 allocation to support integration and support services to address the hospital system implementation.

Contract History and Price Reasonableness:
On October 3, 2017 the Board approved the agreement with Huron and purchase of the Jaggaer subscription based solutions. The award was made via a competitively bid award through the National State Association of State Procurement Officials (NASPO) cooperative purchasing agreement. Huron is an authorized and certified Jaggaer implementation partner through the NASPO agreement and has extended the same pricing agreement for the six-month engagement as the original agreement.

On July 19, 2018, Amendment No 1 was issued under the authority of the Purchasing Agent to Huron to change printed training materials to videos at no additional costs. On October 18, 2018 Amendment No 2 was issued under the authority of the Purchasing Agent, as authorized by the Board approved project contingency for an amount of $106,740 for continued implementation activities. Amendment No 3 for $351,000 is before the Board today for approval for the remaining county departments' implementation, technical integration services, and knowledge transfer to Purchasing and RCIT support staff.

ATTACHMENT A

Schedule A: FY 18/19 Budget Adjustments

Increase appropriations:

10000-7300100000-546280	Capitalized Software	$ 301,000

Increase estimated revenue:

10000-7300100000-781540   Contribution From Other Funds $ 301,000

Increase appropriations:

31540-1100100000-551100   Contributions to other county funds $ 301,000

Anticipated use of restricted fund balance:

31540-1100100000-321158   Restricted for RDA capital improvements $ 301,000

Misley Wang _____   1/30/2019   _Gregory V. Priapos_ _____   1/31/2019
Misley Wang, Supervising Accountant   Gregory V. Priapos, Director County Counsel

Jim Smith _____   1/30/2019
Jim Smith, Chief Technology Officer

Contract ID # <u>PUARC-91800-002-02/19</u>

AMENDMENT #3
To AGREEMENT FOR PROFESSIONAL SERVICES

This <u>Amendment #3</u> to the Professional Service Agreement for Eprocurement System Implementation Services (Contract ID No. PUARC-91800-002-02/19) (the "Amendment") is entered into by and between the COUNTY OF RIVERSIDE (the "County") and HURON CONSULTING SERVICES LLC ("Contractor" or "Huron"), effective (date approved).

WHEREAS, COUNTY and CONTRACTOR entered into that certain Professional Service Agreement (Contract ID No. PUARC-91800-002-02/19), effective September 26, 2017 as approved by the Board on October 3, 2017 (the "Agreement");

WHEREAS, COUNTY and CONTRACTOR agreed to implement deployment of the solution in waves, with the first four (4) modules to be implemented by December 2018 and the fifth module to be fully implemented within the same fiscal year;

WHEREAS, the Agreement was first amended on July 19, 2018 to modify the second module (Activity #2) and include additional activities; and

WHEREAS, the Agreement was amended for a second time on October 24, 2018 to add (Activity #4) and include additional activities; and

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement to add (Activity #5).

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, COUNTY and CONTRACTOR agree as follows:

1. The above recitals are true and correct and are incorporated herein by reference.
2. The first sentence in section 3.1 of the Agreement is deleted in its entirety and replaced with the following: "The COUNTY shall pay the CONTRACTOR for services performed and expenses incurred under this Agreement in accordance with Exhibit B, not to exceed One Million Five Hundred and Twenty-Five Thousand and Nine Hundred Seventy-One Dollars ($1,525,971)." The total value of this amendment is not to exceed Three Hundred fifty-one Thousand Dollars ($351,000), reflecting $305,500, is professional fees, and $44,700 in estimated expenses and IRS compensatory expenses for Huron resources who have worked onsite greater than one year.
3. Exhibit C is hereby added to provide the Roles and Responsibilities for the tasks associated with this Amendment #3.
4. Exhibit A ("Scope of Services") is hereby amended to include the following section:

ACTIVITY #5: CONTINUING IMPLEMENTATION INTEGRATION PROJECT MANAGEMENT & SOLUTION SUPPORT SERVICES

5. CONTRACTOR shall provide County Purchasing and the RCIT technical team with advisory services to support the Wave deployment of the Jaggaer contract management and eProcurement solution (a.k.a. RivcoPRO). This scope includes subject matter advisory and program support during the ongoing rollout of RivcoPRO. Ongoing project leadership and solution support will be provided in the following areas, and detailed roles and responsibilities for COUNTY and CONTRACTOR staff are provided in Exhibit C.

For project management and solution support activities the CONTRACTOR, in partnership with County Purchasing leadership, will perform the following activities:

5.1. Solution Support (estimated at 60% of effort, see Exhibit C)

- Support PeopleSoft integration and engage appropriate resources
- Support Jaggaer integration and engage appropriate resources
- Support development of forms as needed
- Support new departmental role and workflow rule development as needed
- Review and triage escalated Service Now tickets and direct routing

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- Work with Huron Developer (nProdigy) on technical and interface issues between Jaggaer and Peoplesoft. Technical roles of NProdigy to be Scott MacGillivray and Eric Norris and Dean Church.
- Conduct monthly integration health-check conference call with Huron developers, RCIT and County Purchasing Manager to ensure awareness of any integration issues.
- Initiate corrective action, directing the responsible parties
- Monitor aged tickets and ensure they continue to move to resolution

5.2. Implementation Integration Project Management (estimated at 40% of effort, see Exhibit C)
- Identify department champions and detractors and provide management advice
- Develop and monitor contingency plan(s)
- Monitor and Report progress to plan through various methods including regular communication, weekly status reports and other leadership level communications

5.3. Duration

The services identified under the Amendment will commence upon being executed by the County and will conclude on August 31, 2019.

5.4. Estimated Hours, Fees and Expenses

The services are to be performed based on hourly estimates in accordance with the following timeline.

| Resource | Level | Rate * | Month | | | | | | | Total Hours | Total Fees | Expense Estimates | Compensatory Expenses |
			Feb	Mar.	Apr.	May	Jun.	Jul.	Aug.				
Jens Brown	Sr. Director	$350	4	4	4	4	4	2	4	26	$9,100	$2,300	none
Mel Ladewig	Manager (PM/SME)	$250	168	168	168	60	60	60	60	744	$186,000	$24,500	$14,700
Nprodigy Developer	Technical SME	$230	80	80	80	80	80	80	0	480	$110,400	$4,000	none
Totals			252	172	172	64	64	142	64	1,250	$305,500	$30,800	$14,700

Total Fees + Expenses $351,000

5.5. Contractor Resources:
- Project oversight and quality assurance by a Sr. Director in a part-time capacity.
- Day-to-day activities led by the established Project Manager (Mel Ladewig).
- To maintain consistency, the existing Project Manager will continue to be engaged, and CONTRACTOR reserves the ability to engage additional Huron team members. Huron will notify Riverside 30 days in advance of staffing changes. As time for technical integration technical support and advisory is included on a time and materials basis. The County will be advised in writing if PeopleSoft technical integration support / development activities are expected to exceed the Estimated Hours, Fees and Expenses in Section 5.4. above.

6. To reduce travel expenses, travel by CONTRATOR staff will be planned, with general expectation that on-site travel will be agreed as alternating weeks in February through April. The county will be advised two weeks in advance of exceptions to alternating travel. May through August, there are no planned on-site trips by Huron, and all services will be rendered in a remote fashion, scheduled in webinar-style working sessions.

7. All other terms and conditions of the Agreement not modified herein shall remain unchanged. The provisions of this amendment shall prevail over any inconsistency or conflicting provisions of the Agreement, as heretofore amended, and shall supplement the remaining provisions thereof.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Amendment on the date set forth below.

COUNTY OF RIVERSIDE: **HURON CONSULTING SERVICES LLC:**

By: _____   By: _____

Printed Name: **Kevin Jeffries**   Printed Name: **Derek Smith**

Title: **Chairman, Board of**   Title: **Managing Director**
Supervisors

Date: 2 15 19   Date: /   /

ATTEST:
Clerk of the Board
Kecia R. Harper

By: _____
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: _____
Synthia M. Gunzel
Chief Deputy County Counsel

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3

EXHIBIT C
ROLES AND RESPONSIBILITIES

TASK PRIORITY LEVEL
Task priority is set by RCIT and County Purchasing. Any Task Priority Level that goes beyond the urgency set by RCIT or County Purchasing needs to be brought to the weekly status meeting for the core team to determine resolution.

TASK PRIORITY LEVEL

PRIORITY	URGENCY
High	resolution in 1 week or before
Medium	resolution in 2 weeks
Low	agreed upon date

HURON OWNERSHIP
Activity ownership marked with a "▲" will be Huron ownership prior to May 3, 2019, thereafter such activities will be assumed by other County staff.

Role	Activity	Owner	Sets Task level Priority Reporting	Reporting Status level
Solution Support				
Task/Priority list	• Track responsibility of priority level task • Track functional support issues • Track wave integrations	Huron / County Purchasing Support	RCIT/County Purchasing will set priority	Weekly at status meeting
Integration Changes	• Create code change: This is change is to identify the Accounts Payable person, whether invoice is electronic or manual in Peoplesoft. • Create code change: Create code change, so that the accounting date is equal to the date the invoice entered into Peoplesoft. Currently the accounting date is equal to the date the invoice enters Jaggaer.	Huron Developer (nProdigy)	RCIT/County Purchasing will set priority	Weekly at status meeting
PeopleSoft / Jaggaer integration issue analysis	• Analyze system of origin with an integration error • Determine the scope for PeopleSoft integration errors • Provide guidance on resolution through configuration or integration update • Ensure that all determining factors are clearly communicated to all parties involved	Huron with support from RCIT and Jaggaer	RCIT/County Purchasing will set priority	Weekly at status meeting

4

	• Follow up with all parties involved to ensure that necessary tasks are completed • Report to Purchasing Management status of tasks			
PeopleSoft integration support development	• Update PeopleSoft code in DEV / TEST to resolve integration issues • Ensure root cause(s) are clearly communicated to all parties involved • Follow up with all parties involved to ensure that necessary tasks are completed	Huron Developer (nProdigy)	RCIT/County Purchasing will set priority	Weekly at status meeting
PeopleSoft integration support QA	• Test resolution to integration errors • Document testing results	RCIT	RCIT/County Purchasing will set priority	Weekly at status meeting
Jaggaer integration support QA	• Test resolution to integration errors • Document testing results	RCIT / County Purchasing	RCIT/County Purchasing will set priority	Weekly at status meeting
PeopleSoft integration support migration	• Migrate code between environments, including production	RCIT	RCIT/County Purchasing will set priority	Weekly at status meeting
Jaggaer integration issue analysis	• Analyze system of origin with an integration error • Determine the scope for Jaggaer origin integration errors • Provide guidance on resolution through configuration or integration update • Ensure that all root cause / determining factors are clearly communicated to all parties involved • Follow up with all parties involved to ensure that necessary tasks are completed	Huron	RCIT/County Purchasing will set priority	Weekly at status meeting
Contract Item Loading	• Run queries and perform other activities needed to validate contract items	County Purchasing / RCIT / Huron ▲ Support		
Design and Configure new forms	• Design forms to meet County of Riverside functional requirements	County Purchasing		
Configure forms	• When required by departments and appropriate for use within RivcoPRO, configure new forms •	Huron ▲		Weekly at status meeting
Define new Workflow Rules	• Provide assistance to County staff with the design new Workflow Rules based on department exception requirements • Communicate workflow rules to Jaggaer for actual configuration in the solution • Ensure design is consistent with existing county workflow and does not create conflicts	Huron ▲		Weekly at status meeting

Configure new Workflow Steps	• Configure new workflow steps based on county requirements • Validate Workflows for each Wave department has correct Workflow and modify as necessary	Jaggaer / Huron ▲ Support	RCIT/County Purchasing will set priority	Weekly at status meeting
Configure workflow for onboarding departments	• Identify user roles for each new department. • Add users for new departments to existing workflow rules • Add user roles and known default values (PO BU, dept. ID, etc.). • Ensure that workflow is in place and has been tested before Go-Live of waves/new departments.	RCIT and County Purchasing		
Primary ticket review and triage	• Review new high severity tickets for appropriateness, impact and scope	County RivcoPRO Admins/Huron Support	RCIT/County Purchasing will set priority	Weekly at status meeting
Initiate corrective action – standard tickets	• Guide the assignment of new tickets to the appropriate resources	County RivcoPRO Admins		
Review escalated tickets	• Review support tickets escalated by the primary support (RCIT and County Purchasing) that may require technical triage • Contractor will assign escalated tickets to the appropriate resources for triage • Contractor is not bound to respond or resolve tickets based on any determined service level agreement or timeframe	Huron, RCIT and County Purchasing	RCIT/County Purchasing will set priority	Weekly at status meeting
Testing scripts	• Provide testing scripts for use acceptance testing	Huron ▲ / RCIT support		
Testing	• All aspects of testing to include test plan/script development, execution of testing cycle, recording defects, entering support tickets with Jaggaer and testing support	County Purchasing / RCIT		
Training	• All aspects of training to include materials development, revisions, scheduling, class room / web training and training support meetings of any kind	County Purchasing		
Monitor aged tickets	• Monitor aged tickets and ensure they continue to move to resolution through RCIT, Huron, Jaggaer communication with the end user as needed	County Purchasing		

Year End close out roll out	• Develop/modify year-end procedures to coincide/conform with RivcoPRO functionality	Huron / County Purchasing	RCIT/County Purchasing will set priority	Weekly at status meeting
Project Management Advisory				
Update Project Plan	• Scope the rollout project plan for remaining county departments • Provide guidance on rearranging departments	County Purchasing		Weekly at status meeting
Update the wave timelines	• Scope the rollout project plan for remaining county departments • Identify timeline risks as they develop • Identify change management risks as they become known	County Purchasing		Weekly at status meeting
Monitor department progress to plan	• Engage the department liaisons at specified times to ensure they are prepared for their deliverables • Monitor the department liaisons to ensure they are completing their deliverables on schedule • Escalate issues within the county department • Escalate risks to project leadership	County Purchasing		
Develop contingency plan	• Build contingency time into the project plan in order to facilitate unforeseen issues • Communicate through project leadership when contingency time is used • Update contingency and primary project plan as needed	County Purchasing / Huron Support		
Supplier communication	• Manage and conduct communication with suppliers related to registration updates • Manage and conduct communication with suppliers related to department cutover and Purchase Order handling	County Purchasing / ACO		
Contract liaison communication	• Manage and conduct communication with department contract stakeholders relating to department cutover and contracts handling	County Purchasing		
Monitor and reinforce change	• Monitor post cutover legacy system use • Provide guidance to departments when legacy system is used improperly	County Purchasing		
Manage Wave user testing	• Apply the baseline test for workflow to each department • Design additional test scenarios as needed for exception workflow • Communicate UAT users with department liaison and schedule availability for testing	County Purchasing / RCIT / Huron ▲ Support		

	• Measure progress daily during UAT cycles and report to project leadership			
Monitor and report progress to plan	• Report the progress against wave plan by department • Report the progress of user testing by department • Report the progress of issues impacting critical path	Huron		Weekly at status meeting
Identify new change management risks	• Identify department champions and detractors • Provide mitigation advice for detractors • Provide reinforcement advice for champions	Huron ▲ / County Purchasing		Weekly at status meeting
Change Management	• Champion and increase visibility for the project • Reinforce success stories	County Purchasing		
System Administration Role Analysis	• Create a spreadsheet that lists functional and system administration tasks to delineate shared RCIT and County Purchasing ownership of Jaggaer system.	Huron, transition to RCIT and County Purchasing		Weekly at status meeting
Transition Plan	• Prepare a transition plan spreadsheet for open tasks needed for ongoing work by County resources, limited to any unresolved tasks or issues to address	Huron ▲	RCIT/County Purchasing will set priority	Weekly at status meeting
Reporting to Steering Committee (SC)	• Prepare the status • Schedule the Steering Committee meeting • Propose recommendations for key decisions • Document the Steering Committee decisions and record it in County SharePoint Portal • Advise on the budget, timeline and scope changes to SC	County Purchasing, Huron provide input status as needed		Weekly at status meeting