January 25, 2023

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for System Manager and Business Analyst Support Services

Overview

Consultant services are needed to support the various financial systems used by the Financial Planning and Analysis Department of the Orange County Transportation Authority. Proposals have been received and evaluated in accordance with the Orange County Transportation Authority's procurement procedures for professional and technical services. Approval is requested to execute a new agreement for system manager and business analyst support services.

Recommendations

A.   Approve the selection of Carpe Datum as the firm to provide system manager and business analyst support services.

B.   Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2575 between the Orange County Transportation Authority and Carpe Datum in the amount of $591,600, for a two-year initial term from April 1, 2023 through March 31, 2025 with three, one-year option terms, to provide system manager and business analyst support services.

Discussion

The Orange County Transportation Authority's (OCTA) Financial Planning and Analysis (FP&A) Department requires the assistance of a consultant for the various systems that support OCTA's financial functions. FP&A is responsible for developing and maintaining the financial plans of OCTA, as well as conducting various fiscal studies, monitoring expenditures, reporting budget variances, verifying budget authority for requisitions and providing program controls for the Bus Program.

FP&A is in the process of migrating away from a custom application that was used for budgeting, budget maintenance, variance reporting, and ad hoc

analysis. This application, named Budget/Budget-to-Actuals Reporting (BUDBAR), was developed in Microsoft Access with a Microsoft structured query language (SQL) back-end.

BUDBAR functionality and Microsoft Excel forecasting models are being migrated to:

- Oracle's Enterprise Planning and Budgeting Cloud Services (PBCS) – a software as a service (SaaS) application offering annual and long-range planning and forecasting.

- FP&A Working Budget – a Microsoft Access-based system using a SQL server backend to provide support for transactional activity that cannot be performed in the cloud environment. This application will also provide support for processes that require a live connection to onsite accounting and procurement systems.

- Qlik Sense Dashboards – these workspaces will provide data for departmental research into budget status, position control, contract analysis and archived data.

The consultant filling the role of a systems manager and business analyst will be responsible for providing assistance with the migration away from a custom application, as well as technical leadership in the development of financial and business planning models in areas such as grant reimbursement, labor reporting, trend analysis, and cost-benefit analysis. In addition, the consultant will be an integral part in researching and providing recommendations to FP&A management regarding the impact of future technology trends to FP&A's systems.

Procurement Approach

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for professional and technical services. In addition to cost, many other factors are considered in an award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as prior experience providing similar services, staffing and project organization, work plan, as well as cost and price.

On September 2, 2022, Request for Proposals (RFP) 2-2575 was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on September 3 and September 5, 2022. A pre-proposal conference was held on September 7, 2022. Two addenda were issued to

provide a copy of the pre-proposal registration sheet and presentation slides, as well as to respond to questions related to the RFP.

On October 6, 2022, seven proposals were received. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management, FP&A, Treasury and Public Finance, Revenue Administration, and Information Systems departments met to review all proposals received. The proposals were evaluated based on the following evaluation criteria and weightings:

* Qualifications of the Firm   25 percent
* Staffing and Project Organization   30 percent
* Work Plan   20 percent
* Cost and Price   25 percent

Several factors were considered in developing the criteria weightings. Qualifications of the firm was weighted at 25 percent to ensure the firm has experience in performing work of a similar nature. Staffing and project organization was weighted the highest at 30 percent as the proposed project staff needed to demonstrate a technical understanding of financial systems. Work plan was weighted at 20 percent as the firm needed to demonstrate its approach to providing the services specified in the scope of work. Cost and price was weighted at 25 percent to ensure that OCTA received value for the services provided.

On November 7, 2022, the evaluation committee reviewed all proposals based on the evaluation criteria and short-listed the two most qualified firms as listed below in alphabetical order:

<u>Firm and Location</u>

Carpe Datum (Carpe)
El Segundo, California

Kaygen, Inc. (Kaygen)
Irvine, California

On November 14, 2022, the evaluation committee conducted interviews with the two short-listed firms. The interview consisted of a presentation to demonstrate the firms' understanding of OCTA's requirements. The firms' project managers and key team members had an opportunity to present each teams' qualifications and respond to the evaluation committee's questions. Questions were asked relative to the firms' experience and understanding of the specific needs of OCTA's system manager and business analyst requirements, as well specific clarification questions related to each firm's proposal.

After considering the responses to the questions asked during the interviews, the evaluation committee reviewed the preliminary ranking and made adjustments to individual scores for both firms. However, the ranking of the two firms did not change and Carpe remained the higher-ranked firm with the higher overall score.

Based on the evaluation of the written technical proposals and the information obtained from the interviews, the evaluation committee recommends Carpe for consideration of the award. The following is a brief summary of the proposal evaluation results:

Qualifications of Firm

Carpe is a systems development and information technology (IT) consulting firm that was established in 1993 and is located in El Segundo, California. The firm has 30 years of extensive experience in providing services such as software design, programming and implementation, software acquisition studies, project management, data mining, and business process redesign services to transportation agencies, including the Los Angeles County Metropolitan Transportation Authority (LA Metro), Riverside Transit Agency, San Bernardino Associated Governments, San Diego Metropolitan Transit System, Long Beach Transit, and Omnitrans. Carpe currently provides system manager and business analyst support services to OCTA. The firm received positive feedback on their references. During the interview, Carpe provided clear responses and expanded on what their expertise brings to the project.

Kaygen is based in the City of Irvine and has provided IT professional services and consulting solutions to clients since 2003. The firm has experience assigning contracted consultants with clients to provide software selection, design, deployment, configuration, and integration, as well as post-implementation support efforts for clients such as Toyota, LA Metro and Thermofisher. The firm received positive feedback on their references. During the interview, Kaygen's responses focused on the firm's expertise in job recruitment efforts and placement of IT personnel rather than a technical understanding of financial systems.

Staffing and Project Organization

Carpe's proposed project manager for this project has 30 years of experience with software development. The individual is an expert-level user of the Microsoft Professional Suite, SQL Server, Adobe InDesign, Visual Basic Applications and Qlik Sense, all of which will be utilized during the project. In addition, this individual has experience working on current OCTA business systems such as CentralSquare Technologies' ONESolution Finance Suite, Ellipse Procurement Suite, Lawson Payroll and Human Resource Software, and Oracle's Enterprise Performance Management applications. During the interview, Carpe

demonstrated their knowledge and familiarity with OCTA's financial systems and expanded on their direct knowledge creating and supporting these systems.

Kaygen's proposed staff has experience with financial analysis, as well as systems development. Kaygen's proposed staff demonstrated experience supporting applications from SQL, SmartView, and QlikView. However, the proposal did not demonstrate experience with respect to systems of equal or similar complexity as those identified in the scope of work. In addition, the firm did not provide an organizational chart with the reporting structure and was not clear on differentiation of duties between staff members. During the interview, the firm did not have personnel present with direct knowledge and experience necessary to perform project objectives.

Work Plan

Carpe presented a comprehensive work plan that addressed all elements of the scope of work in its written proposal. Carpe's work plan elaborated on current financial systems in place as well as OCTA's future plans to fully migrate Microsoft Excel forecasting models to cloud services by 2023. The firm also addressed problems, issues, and constraints that may be encountered throughout the project term. Carpe's recommendations and discussion during the interview regarding anticipated issues and future considerations clearly demonstrated a comprehensive depth of knowledge and understanding of OCTA's requirements.

Kaygen's work plan demonstrated an understanding of project management and implementation; however, it did not provide detail on the scope of work systems and objectives, such as SQL server database administration and design. Both in their proposal and interview, the firm did not demonstrate expertise and knowledge of the scope of work or address problems, issues or constraints that may be encountered throughout the project term. During the interview, Kaygen did not provide a clear response when asked to elaborate about the scope of work objectives in terms of programming languages and financial systems.

Cost and Price

Pricing scores were based on a formula which assigned the highest score to the firm with the lowest total average hourly rate and scored the other proposals' total average hourly rate on their relation to the lowest total average hourly rate. Although Carpe did not provide the lowest total average hourly rate, the firm is the overall most qualified and was lower than the hourly rates in the OCTA project manager's independent cost estimate. Therefore, the firm's cost is deemed fair and reasonable.

Evaluation Summary

Based on the evaluation of the written proposals, the firms' qualifications, and information obtained from the interviews, the evaluation committee recommends the contract award to Carpe. Carpe demonstrated a thorough understanding of OCTA's specific requirements for system manager and business analyst support services and submitted a comprehensive proposal that was responsive to all requirements of the RFP.

Fiscal Impact

The local funds allocated for this agreement are included in the OCTA Fiscal Year 2022-23 Budget; Financial Planning and Analysis Account No. 1250-7519-A5266-CAV.

Summary

Staff is recommending the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-2-2575 between the Orange County Transportation Authority and Carpe Datum, in the amount of $591,600, for a two-year initial term from April 1, 2023 through March 31, 2025 with three, one-year option terms, to provide system manager and business analyst support services.

Attachments

A.   Review of Proposals, RFP 2-2575 System Manager/Business Analyst
B.   Proposal Evaluation Criteria Matrix (Short-Listed Firms), RFP 2-2575 System Manager/Business Analyst
C.   Contract History for the Past Two Years, RFP 2-2575 System Manager/Business Analyst

Prepared by: **Approved by:**

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