

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

**RESOLUTION NO. 4-2015
Adopted February 3, 2015**

AUTHORIZING A FOURTH AMENDMENT TO A PERSONAL SERVICES CONTRACT WITH ELATION SYSTEMS, INC., A CALIFORNIA CORPORATION, TO EXTEND THE CONTRACT TERM DATE FOR AN ADDITIONAL YEAR FROM JULY 1, 2014 TO JUNE 30, 2015 WITH NO CHANGE TO THE CONTRACT TOTAL AGGREGATE AMOUNT OF \$1,075,900, TO PROVIDE FOR ANNUAL LICENSING FEES FOR OCII'S WEB-BASED CONTRACT AND LABOR COMPLIANCE SYSTEM

- WHEREAS, In 2005, the Redevelopment Agency of the City and County of San Francisco ("Agency") participated in the City's Construction Contracting Improvements Working Group ("CCIWG"), which was tasked with the goal of finding ways to reduce the volume of paper work involved in monitoring certified payrolls and labor compliance on contracts and making contracting requirements consistent Citywide; and,
- WHEREAS, On January 10, 2006, the San Francisco Transportation Authority (as the lead agency of the CCIWG and on behalf of the City and County of San Francisco ("City")) issued a Request for Proposal for a web-based Labor Compliance System and two (2) proposals were received: Elation Systems, Inc. ("Elation") and LCP tracker, Inc. ("LCP"). On May 15, 2006 the City in partnership with the Agency awarded contracts to Elation and LCP to test, in parallel, web-based labor compliance monitoring programs; and,
- WHEREAS, In July 2008, after an extensive pilot program that allowed the City and Agency to examine the merits of Elation and LCP, the City awarded a contract exclusively to Elation for citywide use. For an annual fee of \$30,000 payable to the OLSE, the City allowed the Agency to participate in its contract with Elation to enforce California prevailing wage and Federal Davis Bacon requirements; and,
- WHEREAS, On September 2, 2008, the Agency Commission, by Resolution No. 99-2008, approved a separate, three-year Personal Services Contract ("PSC") with Elation in the amount of \$200,000 to operate and develop a web-based system to track contract compliance activities and Small Business Enterprise ("SBE") certification application processes; and,
- WHEREAS, On April 20, 2010, by Resolution No. 41-2010, the Agency Commission approved a First Amendment to Elation's PSC in the amount \$86,200 to include additional software development, technical support, and training; and,
- WHEREAS, On December 7, 2010, the Agency Commission, by Resolution No. 142-2010, approved a Letter of Agreement with OLSE in the amount of \$30,000 in order to continue to participate in the City's contract for labor compliance monitoring and, by Resolution No. 143-2010, the Agency Commission approved a Second Amendment to Elation's PSC in the amount of \$191,200 for licensing fees for contract compliance and small business certification modules. The combined annual cost for Elation was \$221,200; and,

WHEREAS, On June 21, 2011, the Agency Commission, by Resolution No. 79-2011, approved a Third Amendment to Elation's PSC in the amount of \$199,500, which consolidated modules, eliminated the Letter of Agreement with OLSE, and reduced costs by \$21,700. The Third Amendment included provisions for two one-year options to be exercised at the discretion of the Agency if deemed in the best interest of the Agency. The option prices were fixed in the amount of \$199,500 for each option; and,

WHEREAS, On October 2, 2012 the Office of Community Investment and Infrastructure ("OCII"), as successor to the Agency, exercised the first one-year option and continued Elation's PSC contract at a cost of \$199,500; and,

WHEREAS, On January 6, 2014, after dissolution and reorganization, OCII exercised its second one-year option on renegotiated terms, reducing the budget amount to \$55,000 and changing the period of coverage from a calendar year to OCII's fiscal year. Annual licensing fees were reduced from \$199,500 to \$55,000 to account for the reduction in staff and compliance activities, such as the discontinuation of SBE certification activities after Agency dissolution; and,

WHEREAS, The Fourth Amendment does not constitute a "Project" as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(4), is an administrative activity that will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA; now therefore, be it

RESOLVED, That the Executive Director is hereby authorized to enter into a Fourth Amendment to a Personal Services Contract with Elation Systems, Inc., a California corporation, to extend the Contract term date for an additional year from July 1, 2014 to June 30, 2015 at a cost of \$50,000 with no change to the Contract total aggregate amount of \$1,075,900, to provide for annual licensing fees for OCII's web-based contract and labor compliance system.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of February 3, 2015.

A large, stylized handwritten signature in blue ink, consisting of several overlapping loops and flourishes, positioned above a horizontal line.

Commission Secretary