

STAFF REPORT

DATE: August 28, 2023
TO: Sacramento Regional Transit Board of Directors
FROM: Jamie Adelman, VP, Procurement, Real Estate and Special Projects
SUBJ: DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE AND EXECUTE A CONTRACT FOR RISK MANAGEMENT INFORMATION SYSTEM

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

The proposed Resolution will allow the General Manager/CEO to negotiate and enter into a Contract for Risk Management Information System (RMIS) Services with Origami Risk LLC, which will allow SacRT to implement a software-as-a-solution-system to provide secure, accurate, and reliable administration, processing, management, reporting, tracking, and analysis of occurrences, liability claims, and property claims.

FISCAL IMPACT

The proposed total not to exceed amount for the Contract would be \$442,200 over the five-year term. Year 1 costs for development and implementation are not to exceed \$149,560 and are included in the FY24 Operating Budget. Years 2-5, FY25-FY28, will be \$73,560 annually, and will be included in future years operating budgets. Costs in the first year are higher because they include system project implementation, data conversion and configuration, software interfacing, design, testing, and employee end-user training.

DISCUSSION

Deployment of a RMIS will enhance SacRT's ability to identify, amalgamate, interpret, and disseminate organizational risk data for effective claim management while contributing to improved communication and proactive solutions for the elimination and/or reduction of future loss exposures upon SacRT operations.

RMIS will improve operational excellence, customer satisfaction, and employee engagement by providing a more accurate and comprehensive database platform for reporting, identifying, managing, and preventing adverse loss. Utilization and management of risk information reduces SacRT's exposure to programmatic and operational risks, improving quality, proactivity, and minimizing losses through systematic data management and analysis.

The current SacRT claims system was developed and implemented approximately 25 years ago in response to Y2K concerns and is currently housed within SacRT's internal network servers and maintained by the IT Department. The proposed RMIS solution will reduce allocated time and expense of limited IT Department staff to service and maintain the current "legacy" software system and focus efforts on other IT business needs.

On March 27, 2023, staff released a Request for Proposals (RFP) on PlanetBids e-Procurement System and 154 vendors were notified of the contracting opportunity. On May 8, 2023, SacRT received responsive proposals from 4aiSoft dba Klear AI and Origami Risk LLC.

The qualifying criteria included the Proposer's response to understanding the contract, staffing and experience, work plan, and competitiveness of price.

After completion of written evaluations and scores, 4aiSoft dba Klear AI's total score of 63.5 was deemed to be below the minimum score requirement of 70. Origami Risk LLC's total score of 81.6 met the requirements to be invited to provide an oral presentation and software system functionality demonstration for SacRT operational management personnel and the RFP Evaluation Committee. Upon conclusion of the oral presentation and demonstration, the evaluation committee determined Origami Risk LLC's proposal to be the most advantageous to SacRT.

As part of its proposal, Origami Risk LLC included a number of exceptions to SacRT's standard contract that are currently being reviewed and will require negotiations to reach final agreement on contract terms. This delegation is being requested to allow Staff to complete contract negotiations, complete the 10-day protest period prior to award, and avoid a potential price increase anticipated to be effective October 1, 2023.

RESOLUTION NO. 2023-08-086

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

August 28, 2023

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE AND EXECUTE A CONTRACT FOR RISK MANAGEMENT INFORMATION SYSTEM SERVICES

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby delegates authority to the General Manager/CEO to approve and execute a Contract for Risk Management Information System Services with Origami Risk LLC whereby Origami Risk LLC agrees to provide a software as a solution platform for the management of SacRT occurrence and claim data for a 5-year term contract for an amount not to exceed \$442,200.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary