



**TO:** Board of Contracts and Awards  
**FROM:** Sanjay Chopra, Information Technology Manager, Information Technology Department  
Paul Federighi, Interim Director of Information Technology, Information Technology Department  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and Joseph Parris, Finance/Purchasing  
**SUBJECT:** Records Management Administration Software Services for Electronic Records Management System Pilot Project, Direct Solicitation and Negotiation for Professional Services - Requesting City Council Date of November 21, 2017  
**DATE:** November 7, 2017

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**SUMMARY:**

The Information Technology Department recommends a contract be awarded to **RecordPoint Software Ltd., Seattle, Washington**, for the pilot implementation of a records management administration software service to support the electronic records management system pilot, for an amount of \$87,250 plus applicable sales tax, through December 31, 2018, with an increased user base and corresponding annual renewal for a cumulative total of \$397,250 plus applicable sales tax, through December 31, 2020.

The need for future software service renewals beyond the initial four-year term is possible given a projected system lifecycle of 5-10 years. In accordance with Tacoma Municipal Code 1.06.269, authorization for services may continue until the City no longer requires the software.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

By implementing an electronic records management system to maintain compliance with various Federal and State regulations, this contract supports an efficient and effective government.

**BACKGROUND:**

Information made or received in the transaction of City business and relating to the conduct of government, regardless of form, and which is prepared, owned, used or retained by the City must be managed in accordance with the Revised Code of Washington (RCW) 40.14.010 Preservation and Destruction of Public Records and RCW 42.56.010 Public Records Act, and further the Washington Administrative Code (WAC) Chapter 434-615 Custody of Public Records, and WAC Chapter 434-662 Preservation of Electronic Public Records.

The City budgeted \$1.4M in 2015-16 towards the first phase of the Tacoma Information Management System (TIMS) solution, and Council authorized Resolution 39353 for the Information Technology Department to engage the services of InfoReliance Corporation in early 2016 for systems development work and procurement of a record management tool. Unfortunately, these systems development activities and tool implementation did not produce outcomes meeting the City’s needs and expectations and, after efforts to resolve unmet expectations, the City terminated its relationship with the vendor.

City staff and consultants have since taken steps to refine the City’s requirements and strategy, re-plan the TIMS approach, and are moving forward with a limited-scope pilot implementation using a different technology platform.



ISSUE: The City’s obligation to meet requirements for managing electronic records persists. In fact, the volume of electronic records continues to grow rapidly. Moreover, the scope and complexity of maintaining administrative compliance is evolving as new information systems and services are employed and as electronic records are created, stored, and managed across a multitude of distributed devices.

Additionally, several City departments are currently dependent upon an antiquated electronic records management system which is no longer supported by the technology vendor, thereby presenting additional risk for those departments.

ALTERNATIVES: One alternative is to forego active records management and dispositioning in favor of retaining electronic records and content indefinitely, and continuing manual retrieval processes, thereby accepting the legal risks and long-term cost implications of inaction.

A second alternative is to leverage existing City information systems and to train every City employee to manually manage, declare, and disposition their records, and allocate a commensurate amount of time to this manual activity daily.

In either case, the City’s antiquated system would still need to be addressed.

COMPETITIVE SOLICITATION: Waiver of Competitive Solicitation - Direct Solicitation and Negotiation was approved by City Manager Elizabeth Pauli.

RFP IT15-0162F – Records Management Software Procurement and Implementation Services was let in 2015. Of the four bids received, one was deemed responsive, and the City subsequently cancelled the procurement event due to unsuccessful negotiations with the responsive bidder.

City staff and professional consultants researched the marketplace and identified a very limited number of records management administration (RMA) software services in the marketplace that are (1) compatible with the City’s Microsoft cloud architecture preference, and (2) meet the City’s compliance requirements for managing highly restricted information. Careful research by City staff and professional consultants in the third quarter of 2017 yielded two potential software products: the RecordPoint software service and Gimmel’s RecordLion software service. Both services have been successfully deployed by third-party systems integrators for North American municipal governments and public utilities.

A competitive process for the RMA software service selection commenced in October 2017. The process included in-depth vendor interviews and scripted software demonstrations. The interviews and demonstrations were approximately three hours in length covering topics of records management functionality, electronic discovery, case system integration, legal holds, reporting and auditing, security capabilities and vendor support services.

The City convened the selection committee to evaluate the strengths and weaknesses of each RMA service for a recommendation to the City sponsors. The selection committee unanimously recommended RecordPoint based on the firm’s organizational capability, the software service’s records management features and functionality, technical architecture, and cost.



Price pressure was maintained in evaluating the two services due to the open and competitive nature of the process. RecordPoint is highly motivated to assist the City in a successful system implementation to further its American customer reference base, as it sees additional business opportunity in the State of Washington.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Approximately half of subject services will be provided remotely, thereby reducing the number of carbon-generating trips. Additionally, all contract deliverables will be digital.

SBE/LEAP COMPLIANCE: Not applicable.

DISADVANTAGED BUSINESS ENTERPRISE (DBE): Not applicable.

**RECOMMENDATION:**

The Information Technology Department recommends a contract be awarded to **RecordPoint Software Ltd., Seattle, Washington**, for the pilot implementation of a records management administration software service to support the electronic records management system pilot, for an amount of \$87,250 plus applicable sales tax, through December 31, 2018, with an increased user base and corresponding annual renewal for a cumulative total of \$397,250 plus applicable sales tax, through December 31, 2020.

**FISCAL IMPACT:**

Funds in the amount of \$87,250, plus applicable sales tax, are budgeted and available in the 2017/2018 biennium. Funds for the balance of the cumulative total of \$397,250, plus applicable sales tax, will be requested as part of the 2019/2020 biennial budget request.

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Information Systems Fund 5800	596000	5310100	\$87,250
<b>TOTAL</b>			<b>\$87,250</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Information Systems Fund 5800	596000		\$87,250
<b>TOTAL</b>			<b>\$87,250</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$87,250 plus applicable sales tax.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Yes, for 2018. The 2019/2010 biennial budget will need to reflect future amounts.



City of Tacoma

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**Date:** November 8, 2017

**To:** Elizabeth Pauli, City Manager

**From:** Paul Federighi, Interim Director of Information Technology  
Information Technology Department

**Subject:** Authorization of Direct Negotiation for Professional Services and Personal Services over \$25,000

In accordance with TMC 1.06.256 (B), the Information Technology Department requests a waiver of the competitive solicitation process and authorization to directly negotiate with **RecordPoint Software Ltd., Seattle, Washington**, to support a pilot implementation of a records management and electronic content management solution, for an initial amount of up to \$13,500, plus applicable sales tax. Once the solution has passed the pilot phase the cumulative contract amount through 2020 will be \$397,250, plus applicable sales tax.

Direct negotiation approval constitutes a waiver of further competitive solicitation for amendments to the subject contract provided that any such amendment(s) shall be signed by personnel as authorized in the Delegation of Procurement Signature and Approval Authority memorandum. Contract totals shall not exceed \$200,000 without City Council or Public Utility Board approval as appropriate.

**EXPLANATION:** The Information Technology Department, in partnership with the City Attorney's Office and the Tacoma Public Utilities Management Services Office, requests to establish a contract with RecordPoint Software Ltd. for records management administration (RMA) software services.

The pilot implementation of the Tacoma Information Management System (TIMS) includes an augmented Microsoft SharePoint solution hosted in the Microsoft Office 365 Government cloud environment. Augmentation of Microsoft SharePoint is made possible with a RMA software add-on that provides advanced records management capabilities to support the City's various regulatory compliance requirements.

The contract amount for RMA software services through December 31, 2020 is \$397,250, plus tax. Ongoing software services after 2020 may be appropriate, potentially increasing software service needs and requiring additional contract authorizations.

**JUSTIFICATION FOR DIRECT NEGOTIATION:**

1. There is a limited number of RMA software products in the marketplace that are (1) compatible with the City's Microsoft cloud architecture preference, and (2) meet the City's compliance requirements for managing highly restricted information. Careful research by City staff and professional consultants in the second quarter of 2017 yielded two potential software products: RecordPoint's Records365 product and Gimmal's RecordLion product. Both products have been successfully deployed by third-party systems integrators for North American municipal governments and public utilities.



The TIMS project team simultaneously negotiate with both software vendors in a competitive process designed to inform the City as to which solution best meets the City's requirements, and to create pricing leverage.

2. Is this purchase based on a previous competitive solicitation conducted by the City or other agency? If yes, provide the contract information, specification number, etc., and explain the relationship of this request to the previous contract.

No.

3. Describe the screening efforts made to identify potential service providers.

The competitive process for RMA software product selection concluded on November 2, 2017. The process included in-depth vendor interviews and scripted software demonstrations. The interviews and demonstrations lasted approximately three hours in length covering topics of records management functionality, electronic discovery, case system integration, legal holds, reporting and auditing, security capabilities, vendor support services, and cost.

The project team established a cross-functional Selection Advisory Committee to make the recommendation, and the City's third-party integrator provided an independent assessment of strengths and weaknesses for each RMA solution to the TIMS executive sponsors.

4. Describe the efforts made to assure that the City is receiving the lowest or best price possible.

By inviting the two firms to compete in the process described above, the City established price pressure due to its open and competitive nature. Both firms were highly motivated to assist the City with a successful solution to establish a referenceable client in the Pacific Northwest and to leverage the engagement for opportunities with additional clients.

**FUNDING:** Funds for this purchase are available in the Information Systems fund 5800.

**SBE COMPLIANCE:** The Department/Division has checked the [City of Tacoma Small Business Enterprise \(SBE\) website](#) for opportunities to contract with SBE firms on September 19, 2017. There are no SBE firms registered for this category of work at this time.

**PROJECT COORDINATOR:** Sanjay Chopra, Information Technology Department, 253-382-2639.