



City of San Antonio

Legislation Details (With Text)

File #: 15-6184

Type: Purchase of Supplies

In control: City Council A Session

On agenda: 4/7/2016

Title: An Ordinance authorizing a contract with Vroozi, Inc., to provide the City with an integrated vendor hosted electronic catalog management solution for an amount not to exceed \$994,275.00, funded from the Purchasing and General Services Fund, with an initial contract term of three years with two, one-year renewal options. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Director, Finance]

Sponsors:

Indexes:

Code sections:

Attachments: 1. 61-5449-Vroozi, Inc., 2. Score Matrix, 3. CDF, 4. Form1295 Vroozi, 5. Draft Ordinance, 6. Ordinance 2016-04-07-0234

Date	Ver.	Action By	Action	Result
4/7/2016	1	City Council A Session	adopted	Pass

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: CityWide

SUBJECT:

Electronic Catalog Management Solution

SUMMARY:

An Ordinance authorizing a contract with Vroozi, Inc. to provide the City with an integrated vendor hosted electronic catalog management solution for an amount not to exceed \$994,275.00 funded from Purchasing and General Services Fund. The initial term of the contract with Vroozi, Inc. is for a period of three years with two, one year renewal options.

BACKGROUND INFORMATION:

The Finance Department currently uses an electronic catalog in conjunction with its electronic procurement system. Electronic catalogs increase visibility of contract items which in turn increases the use of established

contracts that reflect volume pricing. Today, approximately 59% of the City's contract expenditures are processed through the electronic catalog. However, the current electronic catalog does not provide a federated search capability among all catalogs, viewing capability for all City staff and lacks needed catalog management functionality. The proposed solution will provide all City staff a universal catalog content view of all goods and services available through the electronic catalog as well as enhanced filtering and search capabilities.

In addition, the selected vendor will be responsible for training, on-boarding, and ongoing catalog management for selected City suppliers. The selected vendor will assist City suppliers with electronic catalog development and on-going updates which will enhance standardization and minimize barriers for businesses to conduct business with the City, especially small businesses. In addition, with a third party managing large electronic catalogs, this will eliminate the burden of purchasing staff having to build and maintain large electronic catalogs and allow staff to focus on maintaining the City's portfolio of annual supply contracts. Finally, deploying the proposed solution will leverage the City's investment in the SAP software platform and create a more efficient catalog solution for both the City and its suppliers and will eliminate the need for voluminous paper catalogs. The overall goal of the solution is to increase the number and visibility of catalog items available to City shoppers and provide an efficient portal for suppliers to upload catalog data.

The City issued a Request for Competitive Sealed Proposal (RFCSP) for a Catalog Management Solution in January 2015. In March 2015, the Finance Department received four proposals. Prior to evaluation, Vinimaya withdrew their proposal from consideration.

The evaluation committee consisted of individuals from the Finance and Information Technology Services Departments. The Finance Department, Purchasing Division, assisted to ensure compliance with City procurement policies and procedures. The proposals were evaluated based on several weighted factors, to include respondents' experience, background, and qualifications and their proposed plan; which included their response to the City's technical and functional requirements. Other factors included price and Small Business Economic Development Advocacy (SBEDA) requirements.

The evaluation of each proposal was based on a total of 100 points: 25 points for experience, background and qualifications; 40 points for proposed solution and 15 points for respondent's price schedule. Twenty points were allotted for the SBEDA Program, Small Business Enterprise (SBE) Prime Contract Program.

The evaluation committee met on March 23, 2015 to discuss and evaluate the responsive proposals received. After an initial committee review and discussion, the decision was made to interview the three responsive firms. On April 29 and May 1, 2015 interviews and product demonstrations were conducted. Upon conclusion of the interviews, individual scores were submitted and scores were presented. Prior to finalizing scores, clarification questions were sent to the top two ranked respondents. Upon receipt of clarifications, scores were finalized by the selection committee on July 8, 2015. Vroozzi, Inc. received the highest ranking and was recommended for award by the evaluation committee.

The initial term of this contract will be for a period of three years. Two additional one-year renewals at the City's option shall also be authorized by this ordinance.

ISSUE:

This Ordinance approves a contract with Vroozzi, Inc. to provide the City with a vendor hosted electronic

catalog solution. The City's current catalog solution has limited view and search functionality which impacts spend through the catalog. In addition, supplier participation in catalog creation has been limited due to a lack of training and on-going support. The selected respondent will be responsible for training the City's suppliers in the development and maintenance of electronic catalogs. In addition, the proposed solution will allow all City employees to view catalog items and offers robust search capabilities which will increase spend through the electronic catalog. As a result, contract compliance will be enhanced by purchasing of goods and services at the contract price maintained in the catalog.

Twenty points (20) were allotted for the SBEDA Program, Small Business Enterprise (SBE) Prime Contract Program; however, Vrooz, Inc. is not certified as SMWBE, therefore not eligible to receive the allotted twenty (20) SBE Prime Points.

This contract is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program Ordinance does not apply to goods/supplies contracts, so no preference was applied to this contract.

ALTERNATIVES:

Should this contract not be approved, the City will continue use of its existing electronic catalog platform. Continued use of the existing catalog system limits shoppers' abilities to view the catalog items and perform item searches. Further expansion of the existing catalog may be limited due to increasing time requirements to create catalogs from existing contracts. The recommended respondent will be responsible to train and assist the City's vendors in creating, uploading and maintaining electronic catalogs which will increase the number of items available on catalog.

FISCAL IMPACT:

This ordinance authorizes a three year contract with the option to renew for an additional two, one year periods in an amount not to exceed \$994,275.00. The annual contract amount is \$200,000.00 for Year 1; \$191,142.00 for Year 2; \$192,777.00 for Year 3; \$198,963.00 for Year 4 and \$211,393.00 for Year 5. Funding for the first year of the contract in the amount of \$200,000.00 is available in the Purchasing and General Services Fund. Funding for contract years two through five will be provided through the Budget process upon City Council approval.

RECOMMENDATION:

Staff recommends the approval of a contract with Vrooz, Inc. to provide the City a vendor hosted electronic catalog solution in an amount not to exceed \$994,275.00.

This contract is procured by means of Request for Competitive Sealed Proposal and a Contract Disclosure

Form is required.