

THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

RESOLUTION) IN THE MATTER OF RECONSIDERING A PROTEST AND
AND ORDER:) AWARDING CONTRACTS TO PROVIDE HUMAN SERVICES
) TO LOW-INCOME, DISADVANTAGED, AND DISABLED LANE
11-3-16-2) COUNTY RESIDENTS.

WHEREAS, Request for Proposal evaluation committees recommended award of contracts to providers of human services totaling \$3,730,367; and

WHEREAS, four protests were filed in response to the recommendation; and

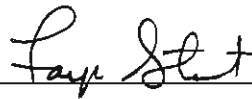
WHEREAS, one of those appeals was remanded back to the screening committee for further review; and

WHEREAS, the screening committee once again recommended contracts be awarded to the top three scoring agencies, which does not include the protestor;

NOW THEREFORE, IT IS HEREBY ORDERED that the protest be denied per reasons cited in Appendix A;

IT IS FURTHER ORDERED that the Board of County Commissioners award the contracts as detailed in Appendix B in the amount of \$171,727, and delegate signature authority to the County Administrator to execute the contracts for the services listed in Appendix B.

Effective this 16th day of March, 2011.



Chair

Lane County Board of County Commissioners

APPROVED AS TO FORM
Date 3/10/11 Lane County
OFFICE OF LEGAL COUNSEL



Appendix A

Reasons for Decision Centro Latino Americano Protest

Centro LatinoAmericano ("Protestor") submitted a proposal under the "Improve Access to Services" Outcome Area of the County's Request for Proposal. It argues that the evaluation committee unfairly applied certain evaluation criteria to the proposal; they used different criteria to evaluate different proposals; all higher ranked proposals were non-responsive. LM 21.107(14)(d)(ii), LM 107(14)(d)(iii), LM 21.107(14)(d)(ix). This appeal/protest is denied based on the reasons stated in the department's written response in this March 16, 2011 agenda item (except as noted below) and the February 2011 scoring by the screening committee, in addition to the following reasons and rationale:

1. Protestor argues that point deductions given by individual reviewers on specific evaluation criteria in the RFP solicitation document indicates that evaluation criteria was unfairly applied to a proposal or differing criteria were used to evaluate different proposals.

2. The evaluation committee has certain discretion to deduct and assign points when scoring proposals in order to recommend awards that most closely meet the County's requirements. There is a reasonable range of scoring variance among reviewers, and scoring within that range supports fairness in the application of evaluation criteria and absence of unfairness.

3. As to protestor's claim that certain evaluation criteria were unfairly applied due to less than perfect scores assigned by various individual reviewers:

a. Analysis of the scoring data indicates that reviewers regularly assigned less than perfect scores when evaluating proposals against evaluation criteria;

b. Individual reviewers' scores assigned to Protestor's proposal were consistent with that reviewer's scoring patterns in relation to their scores on all proposals; and/or

c. Other proposals recommended for award also received point deductions, including by different reviewers, and sometimes received even lower scores than those assigned to Protestor's proposal on a particular criteria; and/or

d. There were relatively small point range differentials between the top scoring proposal and the lowest scoring proposal, with many proposals tied in scoring; and/or

e. The average of the scores assigned to Protestor's proposal was above the overall average of scoring for all of the proposals.

f. Based on the record, the point deductions assigned to Protestor's proposal were within the screening committee's reasonable range of discretion to give and deduct points in evaluating the proposals.

4. As to Protestor's claim that different criteria were used to evaluate different proposals, the reasons provided by the individual reviewers (referenced in the department's agenda cover memo) to explain their point deductions indicate that they were applying the same criteria to evaluate each proposal, and there were deficiencies and differences when comparing with other proposals which supported point deductions.

5. Protestor's claim that all higher ranked proposals are non-responsive is denied based on the reasons stated in the department's written response in the Board's December 15, 2010 and this March 16, 2011 agenda packet material, in addition to the following reasons and rationale:

a. The RFP referred to a list of mandatory measures which needed to be addressed, if applicable to the program being proposed.

b. Department staff clarified that proposers should include at least 2 of the mandatory measures if they apply to the program, and if none apply, then it was acceptable and necessary for proposers to create customized measures. This was clarified at a pre-proposal conference and posted on the County's website.

c. Protestor selected the two measures for increased access to services for Spanish speaking populations, and argues that because the other proposals recommended for contract awards did not select these, they were non-responsive.

d. Proposers were able to choose their mandatory measures as applicable to their programs, and were not required to choose the two measures related to increased access to services for Spanish speaking populations. Other measures they could instead choose included increased access to mainstream benefits, both cash and non-cash; increased access to supportive housing; increased access to community resources; and "other" increased access to be identified by the proposer.

e. The other proposals recommended for award were responsive and addressed at least two acceptable outcome measures.

March 9, 2011

From: Tony Black, CIO
Information Services Department

To: Liane Richardson
County Administrator

Subj: **FY 11-12 Budget Analysis Memo**

This memo addresses County Administration questions related to the Information Services Department FY 11-12 proposed budget. Answers to these questions are categorized by fund. The IS Department Enterprise Fund (552) is utilized for regional information technology (I.T.) service provision through the new Technology Operations Services (TOpS) Division (formerly RIS) and through the Area Information Records System (AIRS) Division. The IS Department Internal Services Fund (654) is utilized for Lane County I.T. service provision through the Applications Division, Project Management Office, the newly created Security & Audit, and the Administration Division. There is another Internal Services Fund (653) within the IS Department for PC Replacement that experienced no change in cost, service delivery, or allocation methodology and therefore will not be included for discussion below.

Large Variations in Revenue/Expense

Fund 552: Revenue/Expense in this fund is increasing due to the reorganization shifting personnel and M&S costs from Fund 654 to Fund 552.

Fund 654: Revenue/Expense in this fund is decreasing corresponding to the increase in Fund 552 above.

The sum of County allocation to each of these funds is a net zero change.

Service Changes that Impact Other Funds

Fund 552 & Fund 654: The IS department reorganization is reducing revenue requirements which acts to reduce IS expense in all county departments without corresponding service level reductions.

Add or Reduction Packages Submitted

Fund 552:

- *Reduced 5.5 FTE in AIRS as a result of COP bond expenditure and the regional IGA associated with the AIR Conversion Project coming to a close on June 30, 2011. Additional reductions in this program will occur in the FY12/13 budget process.*
- *Effectively reduced 0.5 FTE in the former RIS Division by merging Regional and County Help Desks.*

Fund 654:

- *Effectively reduced 0.5 FTE in the former Technical Services Division by merging Regional and County Help Desks.*

Total personnel reductions in the IS Department between current year and the FY11/12 proposed budget is 6.5 FTE.

Capital Improvement Projects (continuing and new)

Fund 552:

- *The AIRS Conversion is a capital software development project that will come to completion early in FY11-12. However, there are ongoing projects and enhancements by the remainder of this team through another fiscal year, including implementation of Field Based Reporting, Automatic Vehicle Location, and replacement of the antiquated Computer-Aided Dispatch system.*
- *There will be capital facility upgrades of the regional data center as a result of acting on the findings of a recent data center readiness report. Cost, funding mechanisms, and timing are yet to be identified.*

Fund 654:

- *The IS Department is involved in all County facility CIP projects. Examples include the Riverstone Clinic, the PW Customer Service Center, the Annex and CCC for P&P, the remainder of the H&HS move to Charnelton, implementation of the H&HS Unicare Health Management System, implementation of the PW cost accounting system, etc.*
-

State Reductions

Funds 552 & 654: None, although regional partners held the contract for regional infrastructure services at 0% growth. Lost revenue was mitigated by the department reorganization.

Leverage and Mandates

Fund 552:

- *AIRS revenue is leveraged approximately 3:1.*
- *RIS (regionally-provided service) revenue is leveraged approximately 6:1.*

Fund 654: County General Fund is leveraged approximately 2:1 with other County funds.

Issues/Highlights

Funds 552 and 654: There are many parallel and dependent initiatives in the current year that will be continuing into FY11/12 as described below.

The County budget process and fiscal year start date of July 1, 2011 is driving most of the timing associated with the "highlights" of this department. One obvious "project" in progress is budget development. In this department, budget development commences with little external input toward a product that is published early, yet has little flexibility to be updated in the remainder of the budget process.

To complicate this matter in the current fiscal year is our department reorganization coming to fruition at the same time as budget development, with obvious corresponding changes to the original published budget proposal. The reorganization has posed a significant challenge to obtain simultaneous approval and buy-in from the various governance committees (regional and county), budget and finance offices, HR, AFSCME, external auditors in compliance with GASB, IS customers, and IS Department staff. This reorganization is the result of two years work and is intended to reduce cost and increase service levels.

We are building cost accounting models for department implementation. It is hoped that this tool will not only provide detail cost analysis reports by service provided, but that it will also provide a means to track cost allocation (including metrics) and from which to create a zero-base budget on an annual basis.

In order to implement a cost accounting system, there is the prerequisite work of clearly identifying services offered, including service levels and cost drivers or fee structure. This fact has led to the development of the IS Department Service Catalog. This living document defines what we do by category and sub-category, who is doing it, and who we do it for. This document is in alignment with our application, project, and infrastructure portfolios and in alignment with our time reporting system for billing and reconciliation exercises.

The IS Classification and Compensation study conducted in 2009 was based on the Decision Band Method and was conducted by Fox-Lawson. This study was held in abeyance until the results of the ERB ruling associated with the employee Unit Clarification was completed. The ERB ruling was in favor of AFSCME, after which the work on the class-comp study was commenced. It was determined by both IS management and staff that this study would result in significant enough issues that would impact production and customer service, that this study and methodology was discarded by mutual agreement. It was further agreed by IS management, staff, HR, and AFSCME, that IS management and staff would form a committee to agree upon and document a proposal of classifications (no regard for compensation) to build into the AFSCME contract bargaining, currently in progress. It is assumed that this classification structure will be built in as part of this contract and subsequently approved by the Board of Commissioners. There is ongoing work on this study by HR staff as well.

We either have or are currently trying to capitalize on several new opportunities for increased revenue through marketing and sales/service, through cost sharing such that Lane County benefits from economies of scale, and through efficiencies resulting in cost savings. These are bulleted below.

- *Cost savings from efficiency – The IS Department reorganization merges the Lane County and the regional Service (Help) Desks resulting in a 1.0 FTE reduction. This reorganization also combines County and Regional (AIRS) Database Administration, resulting in a 1.0 FTE reduction (0.5 FTE in Fund 552; 0.5 FTE in Fund 654). Additional efficiencies are gained by combining like skills between County-funded staff and Regionally-funded staff to allow more flexibility and eliminate much of the duplication of effort. Part of this reorganization includes creating Technical Supervisor positions (x6) such that the management:staff ratio is reduced to a manageable level, thereby further increasing morale, productivity, and planning. This will hopefully also result in IS management having sufficient capacity to develop a new Strategic Plan, Communication Plan, Disaster Recovery Plan, Data Management Plan, etc., all of which of have been inadequately addressed in the past. This reorganization also finally establishes a Security & Audit Office to address I.T. security, audit, policy, and mandate compliance. Examples of I.T. security mandates are the FBI Criminal Justice Information System (CJIS), the Payment Card Industry Security Standards*

(PCI), and the Health Insurance Portability and Accountability Act (HIPAA). Physical security, security administration, and end-user training will also be functions of this office. (See proposed budget division text.)

- **Cost savings from downsizing** – *The Intergovernmental Agreement (IGA) between Lane County and the cities of Eugene and Springfield for the development of a law enforcement Records Management System (RMS), Fire/EMS, and Courts integrated system is due to be released in production at the end of this fiscal year. Downsizing an additional 4.5 FTE (in addition to the 2.0 FTE described above) is required due to revenue reductions in these three agencies. For Lane County, this work (the "AIRS Conversion") was funded by a Certificate of Participation (COP) bond that issued the final payment at the beginning of this current fiscal year. While there are significant reductions and corresponding revenue being experienced in this division, there is no direct benefit to County departments or the General Fund as a result of this downsizing.*

- **New revenue** – *IS Department programming and project management staff are only waiting on IGA development to commence property and taxation systems support for four Oregon counties at a rate of \$20,000 each (\$80,000 total) annually. These counties requesting service are Lake, Gilliam, Crook, and Wheeler. Additionally, there is potential that Wasco and Benton Counties will request similar service in FY12/13.*

- **New revenue potential** – *EWEB is requesting Sharepoint Team Site hosting services for at least the next year. Cost models and infrastructure design work is currently in progress and is being communicated to EWEB accordingly. Their desire is that this agreement is reached quickly.*

- **New revenue potential** – *LCOG is requesting the same service (Sharepoint) as EWEB, above. Additionally, they are exploring having the Lane County/Regional Service Desk provide their agency I.T. Help Desk services. LCOG is also interested in moving in this direction quickly.*

- **New revenue in IS; reduced expense in MS Facilities** – *IS and Facilities are currently exploring whether the IS Service Desk can receive and dispatch Facility Request calls. This would eliminate the need for Facilities staff to perform this work, would provide better dispatch, tracking and reporting tools, would eliminate the need for an answering service (as the Service Desk is 24x7x365), and would improve the overall efficiency and service delivery of the Facilities Division.*

- **Cost reduction research** – There is a significant level of hype in the I.T. industry related to cloud computing and outsourcing, particularly email. There has not only been much research and analysis of these service delivery options internally and regionally, but the recent Oregon Association of Government I.T. Management (OAGITM) conference was focused on these topics. We heard presentations on cloud and software-as-a-service (SaaS) solutions from Google, Microsoft, VMWare, DOR on their implementation of USA.NET (Microsoft Exchange Email), the Secretary of State's Office (Archivist on Electronic Records Management SaaS), Multnomah County on their Google implementation, and the State of Oregon eGovernment Office on a hosted service called data.oregon.gov, as well as others. There is a lot of information to sift through to create a coherent cost:benefit analysis and proposal. This is work in progress and is complicated by the fact that Lane County shares so much technology regionally that all agencies are effectively intertwined such that many decisions will have to be driven by many agencies mutually.

- **Cost reduction internal initiative** – IS internal Business Process Improvement, or more appropriately, business process engineering. This department has not spent enough time internally to state with confidence that we operate in the most efficient manner. This will be ongoing as time allows but will receive a higher priority than in years past.

As an aside, as President of OAGITM and by inclusion of the IS Department Management Team in the listserv, conferences and functions of OAGITM, Lane County IS has established valuable and lasting relationships with most State agencies, counties, cities, educational institutions, COGS, AOC, and other public agencies throughout Oregon. This has proved tremendously valuable when there are opportunities to share solutions or discuss trends and best practices. It will also prove tremendously valuable when marketing our services in the future, such as is the intent of selling hosting and service contracts for AIRS state-wide or nationally commencing in FY12/13.