

NOTICE OF A SPECIAL MEETING

YOU ARE HEREBY NOTIFIED THAT A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ IS TO BE HELD ON FRIDAY, NOVEMBER 16, 2018 AT 11:00 A.M. AT THE HOUSING AUTHORITY OFFICES LOCATED AT 2160 41ST AVENUE, CAPITOLA, CALIFORNIA 95010

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ **AGENDA OF THE SPECIAL BOARD MEETING**

1. Roll Call
2. Consideration of Late Additions and Changes to the Agenda
3. Oral Communications (All oral communications must be directed to an item not listed on this agenda and must be within the jurisdiction of the Board. Presentations must not exceed three minutes in length. The Board will not take action or respond immediately to any Oral Communication presented, but may choose to follow up at a later time or schedule item for a subsequent agenda. The Board may limit the total amount of time allowed for oral communication). Anyone addressing the Board of Commissioners is asked to complete a card and leave it with the Board secretary so that their names may be accurately recorded in the Minutes.
4. Selection of Software Vendor

Motion to Authorize Staff to Approve the Proposal from Yardi Systems Inc., and Authorize Execution of a Contract for Services with this Vendor at an Estimated Cost of \$360,800 for the Initial 3 Year Term (Including Conversion Costs).
5. Adjournment

The Housing Authority complies with the Americans with Disabilities Act. If you are a person with disabilities and you require special assistance in order to participate, please contact the Board secretary at 831-454-9455, ext. 201 persons with disabilities may request a copy of the agenda in an alternative format.

Spanish language translation is available on an as needed basis by contacting the Housing Authority at 831-454-9455, ext. 280.

Agendas and Board Packets can be obtained from the Housing Authority of the County of Santa Cruz Administration Department.

AGENDA ITEM SUMMARY

MEETING DATE: November 16, 2018

ITEM NUMBER: 4

FROM: Executive Director

SUBJECT: Selection of Software Vendor

RECOMMENDATION: Authorize Staff to Approve the Proposal from Yardi Systems Inc., and Authorize Execution of a Contract for Services with this Vendor at an Estimated Cost of \$360,800 for the Initial 3 Year Term (Including Conversion Costs).

BACKGROUND SUMMARY:

As the Housing Authority of the County of Santa Cruz County (HACSC) has entered the final year of its existing contract for enterprise business software licensing and in alignment of HACSC's goals and priority to achieve the most efficient and effective business operations, the agency issued a Request for Proposals (RFP) on September 1, 2018 with the intent to award a contract for a new system that integrates all HACSC property management and financial functions to the responsible firm whose qualifications, price, and other factors considered, are most advantageous to HACSC.

In response to the RFP, HACSC received proposals from three potential vendors/bidders, Yardi Systems Inc., Emphasys Software, and Tenmast Software. Proposals were submitted responding to five specific categories of questions which correlated to the prescribed evaluation criteria stated in the RFP. Those categories are Software Features (30%), Experience and Support (20%), Software & Data Conversion (10%), Reporting Capabilities (10%), and Cost Effectiveness (30%).

Per HACSC's procurement policy regarding competitive proposals, an RFP evaluation committee reviewed and assessed the proposals received and performed additional due diligence to facilitate its evaluation including additional communication with vendors to confirm/clarify their responses to specific questions, inquire about specific features and functionality, and attended/participated in product demonstrations conducted by prospective vendors per HACSC's invitation. Additionally, though cost effectiveness of the proposed solution is only one of the evaluation and selection criteria, members of the RFP committee performed an extensive review and evaluation of individual line item costs contained within the proposals and offered its observations/feedback regarding specific items to relevant vendors. Accordingly, HACSC has received revised "Best and Final" offers which included significant additional cost savings or

concessions compared to original submissions, ensuring that HACSC maximizes the value of proposals evaluated.

When considering and evaluating proposals, emphasis was made on specific high priority software features and functionality indicated in our RFP including, a cloud based service with compliant privacy protections, integration with an electronic document management system, robust reporting capabilities supportive of highly customizable and integrated communications to various stakeholders/customers, web based account centric self-service portals for our customers (i.e. landlords, tenants, and prospective tenants) that are fully integrated with the software, and the ability to retain existing detailed log of tenant/client interactions. Additionally, vendors proposed implementation resources and timelines were assessed to provide a reasonable assurance that a selected vendor could partner with HACSC to successfully migrate from its existing system and implement the new system by HACSC's required go-live date of July 1, 2019.

In reviewing the three proposals received, one offeror's proposal recommended that HACSC delay implementation of a new software system until they release their new web based system currently under development and scheduled for beta testing in Q2 of 2019 with a target initial installation for clients during Q3. Aside from providing their target testing and release timeframe, almost no other details or specifics regarding this software under development were available including the ability for the vendor to present a demonstration. Accordingly, this proposal was deemed by the evaluation committee to be significantly deficient in content and context of the RFP and provided no reasonable basis for evaluation, resulting in this proposal to be considered non-response for scoring purposes.

Of the two remaining valid proposals evaluated and scored by the committee, the proposal received from Yardi Systems Inc. received high marks across the board and scored highest in all 5 specific categories, resulting in the highest total score by a significant margin. The high marks received by Yardi during evaluation are reflective of its proposal and software platform being the unanimous choice of the evaluation committee members. It is noteworthy that the unanimous recommendation of the committee to award our contract for enterprise software to Yardi Systems is strongly aligned with informal feedback received from many other PHA's who utilize the various software solutions evaluated by HACSC.

RECOMMENDATION: Authorize Staff to Approve the Proposal from Yardi Systems Inc., and Authorize Execution of a Contract for Services with this Vendor at an Estimated Cost of \$360,800 for the Initial 3 Year Term (Including Conversion Costs).

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