



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Information Technology
Department No.: 067
For Agenda Of: June 25, 2024
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Information Technology
Chris Chirgwin, CIO (805) 568-2606
Contact Info: Andre Monostori, Deputy CIO (805) 568-2608

SUBJECT: Agreement for Professional Services of Independent Contractor with Smartsheet, Inc., for Software Services; All Districts.

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor (Agreement) with Smartsheet, Inc., to provide software services and licenses for Fiscal Year 2024-25 through Fiscal Year 2026-27 in the amount not to exceed \$1,330,695.45; and
- b) Approve and authorize the Chief Information Officer or their designee to order additional software services and licenses in an amount not to exceed 10% of the contract amount, or \$133,069.54; and
- c) Determine that the above recommended action is a government funding mechanism or other government fiscal activity, which does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and is therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

Summary Text:

This item is before the Board to approve a three-year agreement with Smartsheet, Inc., for the procurement of annual licensing and support for Fiscal Year 2024-25 through Fiscal Year 2026-27. The three-year agreement will allow the County to lock in pricing, which will help to stabilize costs over the term.

Background:

The County of Santa Barbara has worked to improve business productivity through the modernization of office information technology through the implementation of the Smartsheet platform. Smartsheet is a cloud-based platform where anyone can create the solution they need, backed by the control and security IT requires. This solution can scale from a single project to end-to-end work management without code.

Smartsheet usage began five years ago and has grown in use across several departments, providing tracking and reporting solutions. With the increase in use across departments, the number of licenses issued each year has increased.

The Smartsheet platform is a strategic investment in the County's information technology services. This project directly aligned with the Renew initiative to migrate on-premise services to the cloud while concurrently achieving software standardization. The project also aligns with the Countywide Technology Strategic Plan by investing in modern technology and improving accessibility.

Smartsheet also facilitates the management of Countywide projects through additional governance capabilities, which include project management, process tracking, dashboards, and reporting. This platform reduces risk to the County through increased visibility into large and important projects and allows for more efficient reporting for high-level executives. An example of Smartsheet's ongoing value to the County is the solution built to manage the Leadership Employee Performance Review (L-EPR) process. This process was re-envisioned to an online solution that supports KPMG's recommendation to redesign the process. Initially designed in 2021, the L-EPR has grown in functionality and will offer benefits one more time in 2024 before the process is absorbed by Workday.

Key Contract Risks

The contract is negotiated based on continued planned usage of the current Countywide Smartsheet account, with the possibility of implementing additional product offerings if agreed upon by multiple governing departments. However, there is an inherent risk with this multi-year contract due to the potential for reduced funding from General Fund departments in the event of license count reductions in those departments. Any license count reductions in General Funded departments would affect the ability for the IT Department's Internal Services Fund (ISF) to recuperate outstanding contractual expenses via ISF rates that get charged to all County departments.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis: ["Double Click to see Funding Source Instructions"](#)

Funding Sources	FY 24-25	FY 25-26	FY 26-27	Total Cost
ITD Internal Service Fund 1915	\$ 443,565.15	\$ 443,565.15	\$ 443,565.15	\$ 1,330,695.45

Narrative: Funding to cover the cost is included in the IT Shared Services Internal Service Fund (ISF) rates charged to users in the FY 2024-25 Information Technology Fund 1915 operating budget. The agreement is based on each department’s commitment to the service and the projected cost for additional services and support. The quote for the three-year term is \$1,330,695.45 for 7/1/2024 through 6/30/2027. The current contract amount is \$1,005,830.04. Several factors have increased the cost for the upcoming three-year term. First, a standard industry percentage increase (4%) is built into the quote and will be amortized over the three annual payments. Second, there is an increase in unit cost over the introductory rate provided for the current term. Current licensed user count is 478, and the quoted license count for the upcoming term is 496. On average, the County sees roughly ten additional licenses issued per year. The remaining fiscal years costs (FY 2025-26 and FY 2026-27) will be incorporated into ITD’s recommended operating budgets for those fiscal years, pending Board approval.

Special Instructions:

Clerk of the Board: Please return one (1) duplicate original of the executed contract plus the minute order of the action to the Information Technology Department, attention: Onelia Rodriguez, Finance Manager.

Attachments:

Attachment A—Smartsheet Agreement

Authored by:

Jason Womack, Administrative Office Professional II, Information Technology Department