



24-5603

DATE: May 7, 2024 (Item No. {{item.number}})

TO: Board of Supervisors

FROM: Ky Le, Deputy County Executive

SUBJECT: Fiscal Year 2024-2025 Master Contract List

RECOMMENDED ACTION

Adopt Resolution delegating authority to the County Executive, or designee, to implement the Master Contract List for Fiscal Year 2024-2025. (LA-1)

FISCAL IMPLICATIONS

Exhibit A lists the revenue and expenditure contracts that the County may execute if the recommended action is approved. All contracts that are executed using the recommended delegation of authority would be consistent with the Fiscal Year (FY) 2024-2025 Adopted Budget, which the Board will consider and approve in June 2024.

CONTRACT HISTORY

On May 20, 2001 (Item No. 16), the Board of Supervisors (Board) approved the use of an authorization process to streamline the approval of routine contracts through a resolution delegating authority to agency and/or department heads for the new fiscal year. Prior to this process, the contracts listed on Exhibit A of the Resolution were submitted to the Board individually or were bundled in small groups that required multiple transmittals. The Master Contract List (MCL) process efficiently manages the large number of contracts that have a July 1 effective date.

Beginning in FY 2011-2012, the MCL included No-Cost Memoranda of Understanding (MOUs) in addition to expenditure and revenue contracts. Previously, these MOUs were not eligible to be placed on the MCL, and departments were required to request individual delegations of authority from the Board for these MOUs.

Beginning in FY 2013-2014, all expenditure contracts were required to have previous standalone Board approval to be eligible for the MCL, and in FY 2014-15, contracts of all types required previous standalone Board approval to be eligible.

Beginning in FY 2017-2018 expenditure contracts exceeding \$5,000,000 annually were ineligible for the MCL.

For FY 2019-2020, eligibility was extended to revenue and grant agreements that renew annually as new agreements pursuant to funding requirements.

For FY 2020-2021, No-Cost Agreements were ineligible for the MCL, as Board of Supervisors Policy Manual Section 5.3.5.1 now grants the authority to the County Executive or designee to execute these agreement types. Additionally, revenue and grant agreements that increase the projected dollar amount by more than \$5,000,000 per year were ineligible for the MCL.

For FY 2021-2022 through FY 2023-2024, there were no substantive changes to the requirements, nor to the MCL process.

REASONS FOR RECOMMENDATION

On February 20, 2024, the Administration presented the proposed requirements and draft resolution for the FY 2024-2025 MCL through an Off-Agenda Report to the Board of Supervisors. There have been no changes to the requirements or resolution attached to this legislative file.

The FY 2024-2025 MCL contains the following:

- Six Grant or Revenue Agreements with a maximum duration of 60 months and a termination date on or before June 30, 2029.
- 199 Expenditure Contracts with a maximum duration of 12 months and a termination date on or before June 30, 2026.

Fiscal Year 2024-25 MCL Eligibility Requirements

- All contracts that appear on the MCL are intended to be routine low-risk contracts, and must have received prior, standalone Board approval within the last five years to be considered for inclusion on the FY 2024-2025 MCL.
- If the Board removes certain contracts from the MCL, the Resolution allows Departments to extend the term of the agreement with the same party for the same services up to and including September 30, 2024 so that services may remain intact while the Departments explore alternatives.
- Expenditure contracts may exceed the projected value of amendment under delegation stated on the MCL by no more than 10% (this allowance is sometimes necessary when negotiations have not been completed at the time the contract is submitted for placement on the MCL). The 10% restriction does not apply to revenue or grant agreements.
- Expenditure, grant, and revenue contracts exceeding a projected increase of more than \$5,000,000 annually are ineligible for placement on the MCL.
- All contracts will have a delegation of authority to the County Executive, or designee, to negotiate, execute, amend, extend, or terminate contracts.
- Additional eligibility requirements are described in Attachment 2.

Exceptions and Exemptions to Competitive Procurement

Exhibit A identifies amendments to contracts that were originally approved through a sole source or single source exception to competitive procurement. Although all contracts

recommended for inclusion in the FY 2024-2025 MCL were previously approved by the Board, Administration has maintained this practice to increase transparency.

The majority of revenue agreements that appear on the MCL are agreements with other jurisdictions and/or government agencies. These revenue agreements fall under Board Policy 5.6.5.1(D)(1)(c): Exemptions to Competitive Procurement/Acquisitions from Other Governmental Agencies. Many of these revenue agreements represent collaborative agreements between Santa Clara County and other jurisdictions to meet common operational and service goals.

Book of Business Analysis

At its November 3, 2016 (Item No. 19) meeting, the Finance and Government Operations Committee recommended that Administration report on any contractor with an aggregate value of \$10,000,000 or more in agreements submitted for consideration on the Master Contract List. There are two contractors that exceed this threshold for the FY 2024-25 MCL, Abode Services and Seneca Family of Agencies.

Abode Services

Abode Services (Abode) is a community-based organization founded in Alameda County in 1989 to develop and implement innovative programs to end homelessness. Since then, Abode has expanded its impact throughout the Bay Area, serving more than 15,000 people each year in Alameda, Santa Clara, San Francisco, Santa Cruz, San Mateo, Napa, and Solano Counties.

The FY 2024-2025 MCL book of business for Abode includes seven amendments to expenditure agreements with the Office of Supportive Housing totaling \$12,616,335. The scopes of service focus predominantly on housing services including homelessness prevention, rapid rehousing, and emergency voucher program services. Many of these are recurring submissions from the FY 2023-2024 MCL. Further details on each proposed amendment can be found in Attachment 1.

Seneca Family of Agencies

Seneca Family of Agencies (Seneca) is a community-based organization founded in 1985 as a small Bay Area residential and day treatment program. Today, Seneca provides a broad continuum of permanency, mental health, education, and juvenile justice services to more than 18,000 youth and families throughout the states of California and Washington State each year.

The FY 2024-2025 MCL book of business for Seneca includes six amendments to expenditure agreements with the Social Services Agency totaling \$10,838,047. The scopes of service vary considerably by agreement but focus predominately on youth support and placement services including operating the County's Welcoming Center and providing Wraparound services. Many of these are recurring submissions from the FY 2023-2024 MCL. Further details on each proposed amendment can be found in Attachment 1.

CHILD IMPACT

The recommended action will have no/neutral impact on children and youth.

SENIOR IMPACT

The recommended action will have no/neutral impact on seniors.

SUSTAINABILITY IMPLICATIONS

The recommended action will have no/neutral sustainability implications.

BACKGROUND

The Master Contract List continues to be an effective and efficient process for Departments and contractors. The Office of the County Counsel and the Office of the County Executive continue to review, revise, and refine the MCL eligibility criteria and submission process to enhance the user experience. As County Departments and contractors have gained experience in how to best use this process, the MCL has shown its value in reducing workload and the number of legislative files that would otherwise be agendaized for Board meetings during the busy year-end period, while providing for transparency in the contracting process.

CONSEQUENCES OF NEGATIVE ACTION

Failure to approve the Resolution and the contracts listed on Exhibit A would result in the contracts on the list not being approved using the MCL process. Departments would then be required to submit individual legislative files to the Board of Supervisors for these contracts. Most of these legislative files would need to be agendaized for the June 4, 2024 or the June 18, 2024 Board meeting for amendments to be effective on July 1, 2024.

STEPS FOLLOWING APPROVAL

Upon approval, the Clerk of the Board is requested to notify Tiffani Lopez in the Office of Countywide Contracting Management (OCCM).

ATTACHMENTS:

- Attachment 1- Resolution MCL FY24 25
- Attachment 2- FY24 25 MCL Eligibility Requirements
- Attachment 3- Levine Act Identification Forms for FY24-25 Master Contract List