

0150-10161-0000

**TRANSMITTAL**

TO The Mayor The City Council	DATE 04-18-14	COUNCIL FILE NO.
FROM The City Administrative Officer		COUNCIL DISTRICT

**Proposed Professional Services Agreement with Socrata, Inc. for  
Development and Implementation of a Citywide Open Data Portal**

Transmitted for further processing.  
See the City Administrative Officer report attached.

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

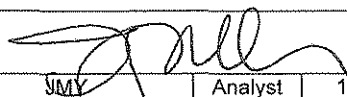
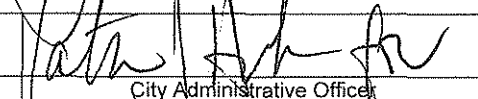
To: The Mayor The City Council	Date: 04-18-14	C.D. No. All	CAO File No.: 0150-10161-0000				
Contracting Department/Bureau: Information Technology Agency (ITA)		Contact: Ted Ross (213) 978-3311 Laura Ito (213) 978-3322					
Reference: ITA transmittal dated February 4, 2014; referred by Mayor for report							
Purpose of Contract: To develop and implement a City of Los Angeles Open Data portal in accordance with Executive Directive No. 3 – Open Data (Garcetti Series) and C.F. 13-0112.							
Type of Contract: ( X ) New contract ( ) Amendment		Contract Term Dates: Three years upon the date of execution of the contract, with two one-year options to renew					
Contract/Amendment Amount: \$2,000,000							
Proposed amount \$ 2,000,000 + Prior award(s) \$ 0 = Total \$ 2,000,000 over five years							
Source of funds: Contingent upon appropriations in the 2014-15 Adopted Budget							
Name of Contractor: Socrata, Inc.							
Address: 83 S. King Street, Suite 107 Seattle, WA 98104							
	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose		X		a. Equal Employmt. Oppty./Affirm. Action	X		
2. Appropriated funds are available		X		b. Good Faith Effort Outreach**		X	
3. Charter Section 1022 findings completed	X			c. Equal Benefits Ordinance	X		
4. Proposals have been requested		X		d. Contractor Responsibility Ordinance	X		
5. Risk Management review completed	X			e. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			f. Bidder Certification CEC Form 50	X		
7. Workforce that resides in the City: 0 %				*N/A = not applicable ** Contracts over \$100,000			

**SUMMARY**

In April 2013, the Council instructed the Information Technology Agency (ITA) to develop and implement an initial City of Los Angeles Open Data Initiative pilot program (C.F. 13-0112). In December 2013, the Mayor issued Executive Directive No. 3 – Open Data, directing ITA to establish an Open Data portal and all City departments to make all appropriate datasets (a collection of related data records organized and maintained by a City department, typically modeled as a table of rows, columns of data, or graphical maps) available online on this portal. ITA now requests approval to execute a professional services agreement (Agreement) with Socrata, Inc. (Socrata) to develop and implement a City of Los Angeles Open Data portal in accordance with the separate mandates from the Mayor and Council. The term of the proposed Agreement is three years, with two one-year options to renew. The total compensation is not to exceed \$2 million for complete and satisfactory performance of the terms of the Agreement over five years.

Background

Executive Directive No. 3 – Open Data, establishes an Open Data Initiative in the City of Los Angeles. The Open Data Initiative directs all City departments, including semi-propietary (Los Angeles City Employees' Retirement System, Los Angeles Fire and Police Pensions, Department of

 JMY	Analyst	11140038h	Assistant CAO	 City Administrative Officer
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Recreation and Parks, and Los Angeles Public Library) and proprietary (Department of Water and Power, Los Angeles World Airports, and the Port of Los Angeles) departments to collect datasets and to make these datasets available to the public in an easily accessible and understandable format online via a public website in a timely and regular manner (i.e. open data). Open data is restricted by valid privacy, confidentiality, security, and other legal restrictions, and by the Open Data Policy adopted by the Information Technology (IT) Policy Committee (ITPC) composed of IT representatives from several City departments, which guides and coordinates the publishing of open data by City departments.

Several large government organizations including New York City, Chicago, San Francisco, and Seattle, the States of California, Washington, Colorado, and New York, and the federal government, have launched Open Data portals making hundreds of datasets covering a wide variety of categories available to the public. This data typically includes information about budgets, crime, revenue, and expenditures.

In addition, the Office of the Controller (Controller) launched its own open data portal, controllerdata.lacity.org in October 2013 via a separate contract with Socrata (C-123023). A large volume of City financial data including City payroll, overtime, bonus, health care costs, and expenditure information by department, type, vendor, and date range is posted on the portal, giving the public access to specific details of how taxpayer money is spent in the City of Los Angeles. Information regarding the City's revenue, including type, collection ratios, and trends over time is also posted on this open data portal.

#### Proposed Vendor

ITA selected Socrata on a sole source basis with the City Attorney's concurrence based on Socrata's unique expertise and technology in providing an open data solution and the following factors:

- Socrata is a leading provider of an open data platform and tools which are utilized by various government organizations including the federal government and large cities such as New York City, Chicago, San Francisco, and Seattle to implement their own open data portals;
- The Socrata platform enables clients to publish a large volume of datasets and allows multiple users to review, compare, visualize, analyze, and share information;
- The Office of the Controller has utilized Socrata's technology to launch and implement an open data portal which can now be expanded by ITA for use by the entire City;
- According to ITA, Socrata is the only Open Data Platform that has passed the Federal Information Security Management Act of 2002.

Per Charter Section 1022, the Personnel Department determined that this type of work is highly specialized and of a proprietary nature and that there are no classifications of City employees that can perform these services.

#### Proposed Contract Terms

The Controller's contract with Socrata (C-123023), which will expire on September 30, 2014, provides for basic hosting and subscription services and two applications built for specific high-volume data sets, Checkbook Explorer and ArcGIS Connect.

Checkbook Explorer provides ways for any user to explore a government's expenditures, by department, type, and vendor, for any given date range. ArcGIS Connect is a data mapping tool that allows users to plot datasets made available on an open data portal onto a map. Both applications are currently available on the Controller's open data portal at a cost \$949 per month or \$11,388 annually for each application. Combined with the cost of basic hosting and subscription services (\$9,491 per month or \$113,892 annually), the total cost of these services is currently \$137,000 annually. It is anticipated that during the first year, the proposed Agreement will be utilized to transition the services provided under Contract C-123023, and all City departmental datasets will be provided on one Citywide open data portal. The Controller's data will continue to be accessible on the current site and will also be available through the Citywide open data portal

The proposed Agreement will be effective upon execution. The first payment will be due, however, on October 1, 2014, upon expiration of Contract C-123023. The cost of these services for the remainder of the fiscal year from October 1, 2014 to June 30, 2015 will be about \$102,505 broken down between the Open Data platform subscription (\$85,421) and Checkbook Explorer and ArcGIS Connect applications (\$17,084). It is anticipated, however, that the actual contract cost will be higher to cover fees associated with customization of the open data portal and additional features and services that may be added after the Citywide launch of the open data portal. These additional features and services are described in further detail below.

For the second and third years of the proposed Agreement, ITA anticipates that additional services provided by Socrata may be purchased and utilized by various City departments contingent upon sufficient funding approved by the Mayor and Council through the annual budget process. Accordingly, the maximum compensation of the proposed Agreement is an amount not to exceed \$2 million over five years (three year contract with two one-year options to renew) to cover anticipated expenditures on a Citywide basis. Execution of the proposed Agreement does not obligate the City to utilize all of Socrata's services as compensation is based on actual services rendered. Additional services must be approved by ITA via a Statement of Work and their respective pricing include but are not limited to:

<b>Product Name and Description</b>	<b>One-Time or Usage Cost</b>	<b>Monthly Cost</b>	<b>Annual Cost</b>
Socrata Custom Data Exploration and Visualization – various levels of customization of a client's open data portal	N/A	\$950 to \$5,000	\$11,400 to \$60,000
Socrata GovStat – Performance management and reporting platform designed for government	N/A	\$14,236.78	\$170,841.36
Socrata GovStat Launch Package – provides professional staff to design and set up a performance management and reporting platform for government	\$37,371.54 one-time cost	N/A	N/A
Socrata Data Analyst, Designer, or Program Manager	\$147 to \$185 per hour based on use	N/A	N/A

The Agreement also provides pricing for additional services should other governmental organizations utilize the contract, subject to the approval of ITA. All pricing is valid for the initial three years of the proposed Agreement. After three years, prices will increase no more than three percent per year

should the proposed Agreement be extended beyond three years. To ensure continuity of services, it is recommended that the General Manager of ITA be authorized to extend the term of the Agreement in one-year increments, for an additional two years so long as all other terms and conditions remain the same, funds have been budgeted for this purpose, and all other legal requirements are met.

In accordance with Los Angeles Administrative Code Section 10.5, City Council approval of the proposed Agreement is required because the term exceeds three years, including the two one-year options to renew. To the best of our knowledge, Socrata has complied with all City contracting requirements, policies, and procedures. As this is a sole source contract, a Good Faith Effort (GFE) outreach is not required.

## **RECOMMENDATIONS**

That the Council:

1. Approve, and authorize the General Manager of the Information Technology Agency to execute a professional services agreement with Socrata, Inc., to develop and implement a City of Los Angeles Open Data portal, for a three-year term effective upon the date of execution of the Agreement, with two one-year options to renew, and total compensation not to exceed \$2 million over the five-year term of the Agreement, subject to the availability of budgeted funds for this purpose and the review and approval of the City Attorney; and
2. Authorize the General Manager of the Information Technology Agency to amend the professional services agreement with Socrata, Inc. to extend the term for an additional two years, in one-year increments, so long as all other terms and conditions remain the same, funds have been budgeted for this purpose, and all other legal requirements are met.

## **FISCAL IMPACT STATEMENT**

Funding of \$349,000 is included in the 2014-15 Proposed Budget. Execution of the contract is contingent upon the approval of these funds in the 2014-15 Adopted Budget. As budgeted funds will be used to support the proposed expenditures and expenditures are limited to the appropriation of funds in the budget, the recommendation provided in this report is in compliance with the City's Financial Policies.

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