



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: IT Department

Meeting Date: September 9, 2024

Report #:2408-3375

TITLE

Approval of Purchase Order C25192371 with Carahsoft Technology Corporation, utilizing an OMNIA Cooperative Purchasing Agreement, to Procure DocuSign eSignature software for a One-Year Term Not-To-Exceed Amount of \$125,965. CEQA: Not a project

RECOMMENDATION

Staff recommends that City Council approve and authorize the City Manager or their designee to execute Purchase Order C25192371 with Carahsoft Technology Corporation, utilizing an OMNIA cooperative contract no. 23-6692-01¹, to procure DocuSign eSignature software through August 22, 2025, in an amount Not-To-Exceed \$125,965.

BACKGROUND

On April 30, 2015, the City of Palo Alto deployed DocuSign's digital signature services to enhance its operational efficiency. This initial contract aimed to provide digital signature, electronic forms, and electronic workflow services. Leveraging the State's California Multiple Award Schedules (CMAS) contract with Carahsoft Technology Corporation in July 2018, the City secured DocuSign eSignature services at a significant discount, approximately 50% off the list price, while also leveraging pre-negotiated terms and conditions. This procurement was recommended by staff under the exemption to competitive solicitation as permitted by PAMC section 2.30.360(j), which allows purchases through cooperative agreements such as CMAS.

The City's commitment to efficient procurement practices continued through subsequent years, with past purchases in 2019, 2020, and 2021 for DocuSign services also utilizing the same CMAS contract, as per PAMC 2.30.360(j). On September 27, 2021, the City Council was presented with a request to authorize the City Manager or their designee to execute Purchase Order C22183161 with Carahsoft Technology Corporation for a three-year term spanning from August 23, 2021, to

¹ https://www.omniapartners.com/suppliers-files/A-D/Carahsoft_Technology_Corp/Contract_Documents/23-6692-01/23-6692-01_Carahsoft_MAD.pdf

August 22, 2024. The contract outlined annual fees totaling \$126,753 and a maximum not-to-exceed amount of \$380,258 (CMR 13482²).

ANALYSIS

DocuSign has significantly transformed document handling processes, enabling staff to review and approve documents from any device, thereby reducing turnaround times and enhancing productivity. Furthermore, DocuSign's tracking capabilities have streamlined the review and approval process by providing real-time visibility into the status of documents, minimizing the need for manual follow-ups.

With a 25,000-envelope allowance each term year and 635 active users on the DocuSign platform, the City has experienced widespread adoption and effectiveness of the solution. The majority of envelopes are completed within 3 days, with a significant portion finalized within the first 24 hours, highlighting the efficiency and reliability of the DocuSign solution.

A project to evaluate alternate solutions is in progress, due to resource constraints it was not possible to complete prior to the renewal date. During this one-year term, Staff will perform analysis of DocuSign usage and costs, review other electronic signature platforms to compare functionality, and total cost. If a new electronic signature platform is more cost effective, having continued access to the DocuSign platform for a year will facilitate a smooth transition and provide additional time for implementing and training users to use the selected new solution.

Failure to approve this one-year purchase order would have a significant impact on daily operations, as the absence of a viable alternative would impede workflow cycles significantly, resulting in delays and increased administrative burdens for City staff.

FISCAL/RESOURCE IMPACT

Funding for this purchase order in FY 2025 in the amount of \$125,965 is within budgeted levels adopted by the City Council in the Informational Technology Department, no additional funding is requested.

The Information Technology (IT) Department is funded by an Internal Service Fund (ISF) that allocates costs to other funds across the City to provide technology related services to other City departments and funds. Approximately 45% of the services provided are for the General Fund

² September 27, 2021 Report, Item #6, PDF page 67, is available to view at <https://cityofpaloalto.primegov.com/Public/CompiledDocument?meetingTemplateId=3307&compileOutputType=1>

with the remaining 55% for other funds such as Enterprise, special revenue, and other internal service funds.

STAKEHOLDER ENGAGEMENT

The services were coordinated with internal stakeholders and the service provider. The Information Technology Department has met with all City departments to collect their business needs for an electronic signature platform and documented their must-have features. Other available solutions meeting these requirements and features will be evaluated during this one-year period.

ENVIRONMENTAL REVIEW

The approval of this contract is exempt from review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15061(c)(3) because it can be seen that there is no possibility that the activity in question may have a significant effect on the environment.

ATTACHMENTS

Attachment A: Carahsoft Technology Corp Contract C25192371

APPROVED BY:

Darren Numoto, Chief Information Officer