Item 1. Recommendation

Executive Summary

The Ad-Hoc Committee, supported by Justin Winn, Project Manager and Gartner, recommends that the California County Assessors' Information Technology Authority (Authority) issue an Intent to Award to Oracle America, Inc. the contract for the Statewide Proposition 19 & Exemptions System (RFP #01-25). Oracle's proposal provides the strongest overall value through proven production experience in Los Angeles County, a consumption-based Oracle Cloud Infrastructure (OCI) platform, a transparent negotiated 10-year total cost of $17,047,140.79 and a phased, reasonable cost implementation and maintenance approach that directly addresses the Authority's requirements for all 58 counties.

I. Background and Procurement Context

I.I. The Authority issued RFP #01-25 on 04-25-2025 to procure a modern, statewide solution capable of processing Proposition 19 base-year value transfers, intergenerational transfers, and multiple exemption types while supporting cross-county data sharing and long-term operations.

I.II. Three proposals were received and advanced through the staged evaluation process defined in the RFP and Template D (Requirements Response Matrices).

I.III. The Ad-Hoc Committee supported by county subject matter experts conducted a comprehensive review of written submissions, cost workbooks (Template I), clarifications, and supporting documentation, with technical assistance from Gartner.

II. Summary of Oracle's Proposal Strengths

II.I. Relevant California County Experience and Production Reference

II.I.I. Oracle co-developed and implemented a production Prop 19 & Exemptions solution for the Los Angeles County Assessor's Office, the largest and most complex county in the state.

II.I.II. This existing solution provides reusable artifacts (use cases, test cases, FAQs, workflows, and configuration components) that significantly reduce customization risk and accelerate delivery of the Prop 19/Exemption portal for the remaining 57 counties.

II.I.III. Oracle demonstrated deep understanding of California property assessment operations, including Prop 13/58/19 interactions, BOE multiple-claims processes, and county-specific business rules.

II.II. Technical and Functional Approach

II.II.I. The proposed solution is built on Oracle Cloud Infrastructure (OCI) with a modern, secure web portal for claimants and county staff.

II.II.II.The solution includes robust workflow management, document upload with electronic signature support, address verification, automated notifications, real-time dashboards, and configurable calculations aligned with Attachment 5 (Process Flows) and Attachment 6 (Use Cases).

II.II.III. Integration capabilities support 458 planned interfaces (229 low, 160 medium, 69 high complexity) as part of the core development effort rather than as separate line items.

II.III. Implementation and Deployment Methodology

II.III.I. Oracle proposes a phased rollout across all 58 counties, beginning with initial counties in Year 1 and completing onboarding of the remaining counties through structured monthly deployment waves.

II.III.II. The implementation cost workbook (Sheet 3) details 89,708.24 hours across project initiation, design, development (Epic milestones), testing, training, and deployment, for a one-time total of $8,187,772.91.

II.III.III. A DevOps model ensures infrastructure support begins in Year 1, with warranty services provided at no additional charge.

III. Cost Analysis & Value Proposition

III.I.I. Negotiated 10-Year Total: $17,047,140.79.

III.I.II Blended M&O rate: $85 per hour (Years 1–10).

III.II. Pricing Model Advantages

III.II.I. Pure consumption-based OCI model; the Authority pays only for services consumed (with 20% reserve for unplanned changes).

III.II.II. No separate per-user license fees; all environments (Production/DR, Training, Staging, Development, Test) are included.

III.II.III. Reasonable 10% annual usage growth with stable costs assumption beginning Year 3 and 3% inflation for maintenance costs applied only in Years 6–15.

IV. Key Assumptions and Risk Mitigation

IV.I. Oracle's Cost Assumptions (Sheet 7) are transparent and protective of the Authority:

IV.I.I. Integrations are included in development costs (no artificial per-integration pricing).

IV.I.II. No traditional data conversion required; document ingestion approach for existing county records.

IV.I.III. No Tier 0/1 help desk (FAQs provided to existing county IT help desks).

IV.I.IV. 15-year commitment structured as 5-year base + 10 one-year options.

IV.I.V. Re-use of LA County IP reduces customization risk.

IV.II. These assumptions were evaluated against RFP requirements and do not conflict with mandatory terms.

V. Recommendation and Proposed Next Steps

V.I. The Ad-Hoc Committee finds that Oracle’s proposal best satisfies the evaluation criteria across Vendor Experience, Functional/Technical Approach, Implementation, Maintenance & Operations, and Cost and recommends the Board adopt the Intent to Award.

V.II. CCAITA Governing Board will authorize Chair to sign contract at the August 2026 Board meeting in Rohnert Park, subject to successful negotiations.

V.III. Board should continue an Ad Hoc Committee to work with PM and Gartner during project implementation.