

Supplement D
Department of Information Technology
ACTION AGENDA
August 17, 2016

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13-IT. DEPARTMENT OF INFORMATION TECHNOLOGY

On behalf of the Maryland Medical Cannabis Commission

Contract ID: Maryland Medical Cannabis Seed-to-Sale Tracking System
ADPICS BPO No.: 060B6400047

Contract Description: The procurement of a Software as a Service (SaaS) application that supports the identification and tracking of cannabis in all its forms for the purposes of inventory, enforcement, investigations and diversion prevention (“Seed-to-Sale System”) for the Maryland Medical Cannabis Commission (MMCC).

Award: Franwell, Inc., Lakeland, FL

Term: 8/18/2016 – 8/17/2019 (3-year base, with two 1-year renewals)

Amount: \$ 930,000 (3-year base)
\$ 310,000 (renewal option 1)
\$ 310,000 (renewal option 2)
\$1,550,000*

** The services offered under this Contract will be provided via a self-funded business model at no cost to the State. The self-funded business model has established a pre-defined fee structure for the Contractor to support, design, develop, and host the Seed-to-Sale system.*

Procurement Method: Competitive Sealed Proposals

Proposals:

RANKING				
	Technical	Financial	Overall	Evaluated Price (Five years)
Franwell, Inc. Lakeland, FL	1	1	1	\$1,550,000
Bio-Tech Medical Software, Inc., d/b/a BioTrackTHC Fort Lauderdale, FL	2	2	2	\$1,575,000
MJ Freeway, LLC Denver, CO	3	3	3	\$4,039,000

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On behalf of the Maryland Medical Cannabis Commission

MBE Participation: None

Remarks: DoIT released the RFP on behalf of the MMCC. Two prospective offerors were directly solicited in addition to advertising the solicitation for 30 days on *eMarylandMarketplace* in addition the DoIT and the MMCC websites.

A total of seven proposals were received. After discussions and demonstrations of each of the offeror's proposed tracking system, four were found to be not reasonably susceptible of being selected for award and so notified. The remaining three proposals from Franwell, Inc., BioTrackTHC and MJFreeway, LLC, were technically ranked. Franwell, Inc. was technically ranked number one based on their experience, capabilities and functionality of their proposed Seed-to-Sale Tracking System which met all of the requirements for the MMCC. Franwell's Seed-to-Sale Tracking System, metrc, delivers 100% out-of-the-box functionality and has been tested, proven and is currently operational in three states. Franwell's metrc software platform was created strictly as a regulatory compliance and reporting system. In addition, Franwell, Inc. provided the lowest price, determining them to be ranked number one overall and the most advantageous offer to the State.

The Natalie M. LaPrade Maryland Medical Cannabis Commission is an independent Commission that functions within the Department of Health and Mental Hygiene. The purpose of the Commission is to develop policies, procedures, guidelines, and regulations to implement programs to make medical cannabis available to qualifying patients in a safe and effective manner. In order to fulfill this statutory mandate, the Commission is responsible for assuring the safety of medical cannabis and cannabis products and protecting that cannabis from diversion.

Although the statutory provisions permit the MMCC to license medical cannabis Growers, Dispensaries and Processors, and to register Independent Testing Laboratories to perform testing intended to ensure the safety and quality of the medical cannabis and cannabis concentrates, these activities remain illegal in many other states and under federal law. Additionally, unlicensed cultivation, production and sale of cannabis and cannabis products remain illegal within Maryland. Further, the current law provides increased penalties for those who illegally divert cannabis from the MMCC's program. The conflicted legal status of cannabis creates unique regulatory challenges. MMCC required a Seed-to-Sale System to prevent diversion of cannabis, allow for efficient tax and inventory audits, to protect the public health, and to facilitate the enforcement of the regulations. The Seed-to-Sale System should allow MMCC to enact a robust regulatory framework around legal medical cannabis establishments while ensuring that federal enforcement priorities are met.

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Remarks: (cont'd)

The MMCC believes it is in the best interest of the State for the Board to approve this award with a start date of August 18th due to the following: On August 15th the MMCC will release the names of the initial 15 Grower and 15 Processor potential licensees chosen from around the State. On August 25th, there will be an organizational meeting with the 30 business entities as potential licensees. It is advantageous to the State that the selected Contractor for the Seed-to-Sale Tracking System is identified prior to the August 25th meeting so that the potential licensees can begin the process of implementing their technology infrastructure as required by the State.

Fund Source: Self-Funded

Approp. Code: N/A

Resident Business: No

MD Tax Clearance: 16-2819-0000

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION