

Supplement D
Department of Information Technology
ACTION AGENDA
August 14, 2019



DoIT 8D

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5-IT-OPT. DEPARTMENT OF INFORMATION TECHNOLOGY
Maryland Medical Cannabis Commission

Contract ID: MD Medical Cannabis Seed-to-Sale Tracking System
ADPICS BPO No.: 060B6400047, COI32110

Contract Approved: DoIT Item 13-IT (8/17/2016)

Contractor: Metrc, LLC (novation from Franwell, Inc.), Lakeland, FL

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

Option Description: Exercise first 1-year renewal option

Original Contract Term: 8/18/2016 – 8/17/2019 (with two 1-year options)

Original Contract Amount: \$930,000 (3-year base)

Option Amount: \$310,000

Revised Total Contract Amount: \$1,240,000

Percent +/- (This Modifications): +33%

Original Procurement Method: Competitive Sealed Proposals

MBE Participation: None

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Maryland Medical Cannabis Commission

Remarks: Metrc LLC provides the current Medical Cannabis Seed-to-Sale Tracking contract component at no upfront cost to the Maryland Medical Cannabis Commission. The funding of setup, ongoing maintenance and support to the State and industry are rolled into fees charged downstream for tags to plants and packaged products payable by licensed growers, processors and dispensaries that the Commission regulates. This component of the contract is unchanged during the renewal period.

Currently, Metrc is one of the most viable and well known seed-to-sale medical cannabis tracking and inventory systems in the market and they are operational in several states across the country. The Metrc tracking system is an integral part of the Commission’s responsibility to ensure that medical cannabis and products will be safely monitored before sale throughout Maryland, a safeguard against diversion of cannabis products. All Commission licensees are required to participate in the Statewide tracking system program.

All licensees are required to use the Metrc tags. Each licensee is responsible for the cost of the tags and any associated vendor fees. This is unlike models in other states where the state pays for the cost of hosting the system while industry pays for plant and package tags, as well as a monthly user fee directly to Metrc. The no cost to the State aspect of the Metrc seed-to-sale tracking component in the present contract will be maintained.

The Commission believes it is in the best interest of the State for the Board to approve it exercising the renewal option because:

- The Seed-to-Sale tracking component is functioning well; the Commission does not have adequate resources to acquire, customize and implement a different seed-to-sale tracking system at this time.
- Major changes to the Commission’s IT infrastructure over the next year may have an impact on the agent registration system, the extent of which is currently unknown, necessitating the continuation of the current system until a final Enterprise IT system solution is decided.
- Provides planning and implementation time for new Commission IT infrastructure while continuing operations without disruption, as required for daily ongoing activities.

Fund Source: Self-Funded
Resident Business: No

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION