



Legislation Details (With Text)

File #: 19-0974 **Version:** 1 **Name:** TI - Deloitte Consulting to provide implementation svcs for Customer Relationship Management

Type: Contract **Status:** CCIS

File created: 9/13/2019 **In control:** City Council

On agenda: 10/1/2019 **Final action:** 10/1/2019

Title: Recommendation to adopt Specification No. RFP TI18-063 and award contracts to Deloitte Consulting, LLP, of San Diego, CA, to provide implementation services for a Customer Relationship Management (CRM) system in the amount of \$1,650,000, with a 10 percent contingency in the amount of \$165,000, for a total amount not to exceed \$1,815,000, for a period of one year, with the option to renew for one additional one-year period, and to Salesforce, of San Francisco, CA, through its recommended reseller, Carahsoft Technology Corporation, of Reston, VA, for the software licenses, in the amount of \$294,807, with a 20 percent contingency in the amount of \$58,961 for a period of one year, for a total amount not exceed \$353,768, with the option to renew for four additional one-year periods, with annual increases ranging from 2.5 to 7 percent; authorize City Manager, or designee, to execute all documents necessary to enter into the contracts, including any necessary amendments; and

Increase appropriations in the General Services Fund Group in the Technology and Innovation Department (TI) by \$1,815,000, offset by funds available and one-time charges to departments and funds made in FY 19 for critical technology infrastructure needs. (Citywide)

Sponsors: Technology and Innovation

Indexes:

Code sections:

Attachments: 1. 100119-R-35sr&att.pdf, 2. 100119-R-35 PowerPoint.pdf

Date	Ver.	Action By	Action	Result
10/1/2019	1	City Council	approve recommendation	Pass

Recommendation to adopt Specification No. RFP TI18-063 and award contracts to Deloitte Consulting, LLP, of San Diego, CA, to provide implementation services for a Customer Relationship Management (CRM) system in the amount of \$1,650,000, with a 10 percent contingency in the amount of \$165,000, for a total amount not to exceed \$1,815,000, for a period of one year, with the option to renew for one additional one-year period, and to Salesforce, of San Francisco, CA, through its recommended reseller, Carahsoft Technology Corporation, of Reston, VA, for the software licenses, in the amount of \$294,807, with a 20 percent contingency in the amount of \$58,961 for a period of one year, for a total amount not exceed \$353,768, with the option to renew for four additional one-year periods, with annual increases ranging from 2.5 to 7 percent; authorize City Manager, or designee, to execute all documents necessary to enter into the contracts, including any necessary amendments; and

Increase appropriations in the General Services Fund Group in the Technology and Innovation Department (TI) by \$1,815,000, offset by funds available and one-time charges to departments and funds made in FY 19 for critical technology infrastructure needs. (Citywide)

City Council approval is requested to enter into contracts with Deloitte Consulting, LLP (Deloitte), for implementation services, and Salesforce, through its recommended reseller, Carahsoft Technology Corporation, for software to provide a Customer Relationship Management (CRM) system. The CRM project was included in the technology systems category of the critical technology infrastructure needs presentation to the City Council on December 5, 2017.

The CRM system will replace the Go Long Beach application with current technology that will allow constituents to easily enter service requests into their smart phones, tablets, and/or personal computers. The CRM system will provide a solution for City staff to manage interactions and relationships with residents.

The CRM system will be a tool that will help the City address the following:

- Provide residents easy access to City services
- Provide tracking and monitoring capabilities to improve City service delivery
- Improve resident engagement and access in conformance with the City's Language Access Policy
- Improve openness, transparency, and accountability
- Improve alignment of resources with service demands
- Enable district-level reporting capabilities that will drive improved data-driven decision-making

The RFP was advertised in the Long Beach Press-Telegram on February 2, 2018, and 2,727 potential proposers specializing in technology hardware/software and services were notified of the opportunity. Of those proposers, 91 downloaded the RFP via the City's electronic bid system. The RFP document was also made available from the Purchasing Division in City Hall and the Division's website at www.longbeach.gov/purchasing. The RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 28 local, minority, and women-owned business groups. Seventeen proposals were received on June 7, 2018. Of those proposers, six were Minority-owned Business Enterprises (MBEs), five were a Women-owned Business Enterprises (WBEs), four were certified Small Business Enterprises (SBEs), and none were Long Beach businesses (Local).

A seven-member Selection Committee (Committee), comprised of representatives from the Departments of Technology and Innovation, Development Services, Parks, Recreation and Marine, Public Works, and the City Manager's Office, representing the diverse business needs of the City reviewed and evaluated the proposals in accordance with the criteria stipulated in the RFP.

The evaluation process was multi-phased and included a request for clarifications to gain further information and clarify responses.

After the Committee's review and analysis of the responsive proposals, nine proposers responded to the request for clarifications, and five proposals were shortlisted in December 2018 for further consideration. The five firms were invited to interview and demonstrate their proposed solution in January 2019. Upon conclusion of the interviews and demonstrations, the Committee reviewed all responses and information gathered during the demonstrations and further narrowed the selection to the top two finalist firms. As a result, second interviews were conducted in March 2019, followed by a Best and Final Offer (BAFO) request issued to the top two finalist firms in April 2019.

The Committee selected Deloitte as the implementer of the CRM system and Salesforce as the software license provider based on the following:

- Deloitte's proposed solution is flexible in both design and functionality. Deloitte's solution will allow the City to design the look and feel to be in line with City specifications. It has the flexibilities for the City to implement requirements that are unique to the City.
- Deloitte's proposed solution could easily be supported by the City's Technology and Innovation Department after implementation.
- All resources Deloitte presented in their proposal were local to the Southern California area and would be available onsite without travel considerations.
- Deloitte has a proven track record working with public agencies similar to, or larger than, Long Beach including the City of San Diego and Orange County. Both references were extremely satisfied with Deloitte's implementation and were extending the Deloitte's engagement for additional requirements.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division assists businesses with registering on the PlanetBids database to download the RFP specifications. Through outreach, 193 Long Beach vendors were notified to submit proposals, of which six downloaded and none submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 10, 2019, Purchasing Agent Tara Yeats on September 11, 2019, and by Budget Management Officer Rhutu Amin Gharib on September 17, 2019.

City Council action to adopt Specifications T118-063 and award contracts concurrently is requested on October 1, 2019, to ensure the contracts are in place expeditiously.

The cost to implement a new CRM system was included in the critical technology

infrastructure needs presentation to the City Council on December 5, 2017. The cost of the CRM system will not exceed \$2,168,768 for the first year, which consists of \$1,815,000 for one-time implementation services and \$353,768 for annual software licensing costs. As the implementation cost of the CRM system is unbudgeted in FY 20, an appropriation increase of \$1,815,000 is requested in the General Services Fund Group in the Technology and Innovation Department, offset by funds available and one-time charges to departments and funds made in FY 19 for critical technology infrastructure needs.

In the critical technology infrastructure needs presentation, \$962,000 was planned for the implementation of a CRM system, including \$592,000 in cash from user charges to departments and associated funds and \$370,000 in costs to be financed through a lease-purchase. However, through the selection process, the system requirements and user license estimates were more refined, which resulted in an increased one-time project cost. In addition, the nature of the software acquisition and project costs make it impossible to finance. Therefore, all upfront costs will come from funds available in the General Services Fund Group, which were generated from savings within other critical needs requests and FY 19 departmental operations, as well as FY 19 one-time charges to departments and funds.

The expense associated with ongoing annual support and maintenance of the software has been incorporated in the Technology and Innovation Department's FY 20 budget and charged out to user departments. This approach is consistent with the critical technology infrastructure needs funding plan. Appropriation for subsequent years will be requested during the annual budget process. This recommendation is expected to require a moderate amount of additional staff hours beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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LEA D. ERIKSEN
DIRECTOR OF TECHNOLOGY AND INNOVATION

APPROVED:

PATRICK H. WEST
CITY MANAGER