



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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### **REPORT TO COUNCIL**

#### **SUBJECT**

Award of Contract for a Constituent Relationship Management System (F16-106)

#### **REPORT IN BRIEF**

Approval is requested to award a contract in the amount of \$202,400 to Adoxio Business Solutions of Redmond, WA for the implementation of a comprehensive Constituent Relationship Management (CRM) System. Approval is also requested for a 10% contract contingency in the amount of \$20,240. The CRM System is used to provide public outreach, and to receive and track commendations, inquiries, concerns and complaints.

#### **EXISTING POLICY**

Consistent with the provision of Chapter 2.08 of the Sunnyvale Municipal Code, contracts for this type of system solution are awarded pursuant to a competitive Request for Proposals (RFP) process.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### **BACKGROUND AND DISCUSSION**

The City currently uses a CRM solution that was developed in-house. This solution has limited functionality and does not support modern features or uses, such as mobile access. The current solution is not easy to use (for staff or residents), nor does it have the capability to provide trend analyses, complex reporting or accurate city-wide data. For these reasons, staff initiated a project to acquire and implement a more modern, robust CRM system.

A competitive RFP was issued and posted on the City's public procurement network. Eighteen firms requested the RFP documents. Four proposals were received on June 2, 2016 from Accela, Inc., NebuLogic Technologies, Serene (an AST Corporation), and Adoxio Business Solutions. Initial proposed pricing for the system implementation ranged from \$130,240 to \$636,554. The proposals were reviewed by an evaluation team consisting of staff from the Office of City Manager (OCM) and the Information Technology Department (ITD). The firms were evaluated on system functionality, implementation plan and approach, and proposer qualifications and experience.

Following the initial proposal review, Serene (an ATS Corporation) and Adoxio Business Solutions were invited to the City for scripted product demonstrations. The proposal submitted by NebuLogic Technologies did not meet the City's functional requirements. The NebuLogic proposal also included a very lengthy implementation plan and was the most costly. The proposal submitted by Accela Inc.

neither met the City's functional requirements nor provided the requisite levels of support and training.

Subsequent to the scripted demonstrations, Adoxio Business Solutions was unanimously selected as the solution providing the best overall value to the City for several reasons. First, the solution met more of the City's requirements than the other proposals. Second, the Adoxio solution was the most user-friendly system, both operationally for the public and staff. Third, the solution establishes a transparent response system along with: tracking and statistical reporting of constituent requests or concerns; expedited routing of information for quicker resolution; constituent self-service through an easy-to-use mobile application; and the establishment of contact information for event or emergency notifications.

The Adoxio solution provides the best alignment with the Council Policy Priority of Improved Processes and Services through the use of technology by providing an easy to use solution for constituents, as well as enabling City staff to work more effectively.

During the negotiation phase for the CRM System, staff was also finalizing the Microsoft Office 365 implementation and it was discovered that the City could obtain more favorable pricing for the CRM licenses if they were procured through the newly executed Microsoft Enterprise Agreement (EA), approved by Council on October 4, 2016 (RTC No. 16-0933). Obtaining the licenses through the EA represents an approximate 18% savings or approximately \$8,000 from the pricing obtained by Adoxio and included in the proposal. A separate contract for the licenses and support will be awarded under the City Manager's authority in the amount of \$35,676.

### **FISCAL IMPACT**

The total cost to implement the system is \$258,316. This includes the Adoxio contract of \$202,400, a 10% implementation contingency of \$20,240, and \$35,676 for the system licenses and support obtained through the Microsoft EA. Licensing and support costs will remain level through year three and then escalate annually thereafter typically between 3%-5%. The useful life of the system is anticipated to be about 5 years.

Funds are budgeted and available in Project 830540, Replace Customer Relationship Management System for the purchase and implementation. The project also included approximately \$21,000 in ongoing licensing costs. The difference of approximately \$15,000 per year is not significant on a city-wide basis and can be absorbed in the General Services Fund. Licenses and support included in the General Services Fund are reimbursed by the various city-wide operating funds (e.g. General Fund, Water Fund, Development Enterprise Fund, etc.).

### **Funding Source**

Funds to implement the system are budgeted in the General Services Fund, Technology and Communication Services sub-fund.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

**RECOMMENDATION**

1) Award a contract in the amount of \$202,400 to Adoxio Business Solutions to implement a comprehensive Constituent Relationship Management (CRM) System, in substantially the same form as Attachment 1 to the report; and 2) approve a 10% contract contingency in the amount of \$20,240.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Kathleen Boutte Foster, Director of Information Technology

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

**ATTACHMENT**

1. Draft Services Agreement