



File #: 17-0828, Version: 1

REPORT TO COUNCIL

SUBJECT

Award a Contract for an Archiving, eDiscovery and Virtual Phone Numbers Solution (F17-131)

REPORT IN BRIEF

Approval is requested to award a contract in the amount of \$479,890 (\$64,000 in one-time set-up and implementation fees and \$415,890 for three years of licensing and hosting) to Smarsh, Inc. of Portland, Oregon, for the purchase and implementation of an archiving, eDiscovery, and virtual cell phone numbers solution. Approval is also requested for a 15% contract contingency in the amount of \$71,984, and to delegate authority to the City Manager to extend the contract for additional one-year periods, not to exceed budgeted amounts, provided pricing and service remain acceptable to the City.

EXISTING POLICY

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, City Council approval is required for contracts exceeding \$100,000.

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(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment,

BACKGROUND AND DISCUSSION

The City has been using a native tool within Microsoft to search for and retrieve emails and documents when a California Public Records Act (CPRA) or personnel investigation request is made. This process is time consuming, with the system taking several hours to run a simple request and sometimes over a day for requests that span all users in the City. The current system is complicated and requires the IT Department (IT) to start the search, then send the search results to the Office of the City Attorney (OCA) and/or Human Resources (HR) for their review, with most inquiries requiring additional work to retrieve the requested results.

In March 2017, the California Supreme Court made a ruling in the matter of City of San Jose vs Superior Court (Ted Smith, Plaintiff and Real Party in Interest) that requires the City to be able to retrieve text messages as part of the CPRA. The City currently has no method to retrieve text messages on City-issued cell phones or on personal Bring Your Own Device (BYOD) cell phones used by employees. For these reasons, the City needs to utilize a tool that provides the ability to capture and archive both emails and text messages while enabling OCA and HR to conduct searches without IT's involvement. In addition, the City will have the ability to capture and retrieve text messages on BYOD cell phones through the assignment of virtual cell phone numbers and a

corresponding mobile app managed by the City.

A competitive Request for Proposals (RFP) was distributed in April 2017 to two firms and posted to the City's public procurement network. One proposal was received on May 17, 2017. The proposal was reviewed by a team consisting of staff from the Office of the City Attorney and the departments of Human Resources and Information Technology. The proposal was evaluated on overall solution functionality, proposer qualifications and experience, and proposed implementation plan. Having passed the initial evaluation, the proposer, Smarsh, Inc., was invited to the City for a product demonstration. Based on the proposal and demonstration, staff determined the solution proposed by Smarsh would offer the City a single solution to search all electronic communication and meet the requirements of the CPRA.

FISCAL IMPACT

Budgeted funds are available in the Information Technology Equipment Replacement Account. Staff reviews the equipment replacement budget annually. As this is an unplanned purchase in response to a regulatory change, staff will absorb the initial cost in the current budget and build the change into the FY 2018/19 Recommended Budget.

Funding Source

Funds are currently budgeted in the General Services Fund/Technology and Communications Services Subfund.

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 \$479,890 to Smarsh, Inc. to implement an archiving, eDiscovery and virtual phone numbers solution, in substantially the same form as Attachment 1 to the report and authorize the City Manager to execute the contract when all necessary conditions have been met; 2) approve a 15% contract contingency in the amount of \$71,984; and 3) delegate authority to the City Manager to renew the contract for additional one-year periods, not-to-exceed budgeted amounts, provided pricing and service remain acceptable to the City.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Kathleen Boutte Foster, Chief Information Officer
Reviewed by: Walter C. Rossmann, Assistant City Manager
Approved by: Deanna J. Santana, City Manager

ATTACHMENT

1. Order Form and Agreement