

# CITY OF OAKLAND

2008 FEB 14 PM 12:32 **AGENDA REPORT**

TO: Office of the City Administrator  
ATTN: Deborah A. Edgerly  
FROM: Department of Information Technology  
DATE: February 26, 2008

**RE: Resolution Waiving (1) the Competitive Bidding and (2) the Competitive RFP/RFQ Selection Requirements of the Oakland Purchasing Ordinance, and Authorizing the City Administrator to Award a Contract to Lagan Company for a Citizen Relationship Management (CRM) Services Information Technology System in an Amount Not to Exceed \$150,000.00 for Software, Hardware, and Installation Costs and a Two-Year Maintenance Agreement in an Amount Not to Exceed \$30,000.00 Per Year for a Total Contract Not to Exceed Two Hundred and Ten Thousand (\$210,000.00)**

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## SUMMARY

This report and resolution requests authorization for the City Administrator to execute a contract with Lagan company for a Citizen Relationship Management (CRM) system in an amount not to exceed \$150,000.00 in software, hardware, and installation costs; and a not to exceed \$30,000 per year in annual maintenance fees, for two years.

The proposed contract is for CRM software to replace and upgrade the existing constituent tracking software in the Oaklander's Assistance Center. The present system used by the Oaklander's Assistance Center is called ConTract, manufactured by Daystar Incorporated. This software was purchased in 1996 and no longer meets the needs of the center without major improvements and upgrades.

## FISCAL IMPACT

As part of the Adopted Policy Budget, fiscal year 2007-08, City Council approved a one-time appropriation of \$100,000 for a 311 type system. Over the past several months, the Department of Information Technology researched various vendors that supply this type of software, but could not find a company that provides a technological solution for less than \$150,000. Staff believes that this software meets the needs of the City in the initial set-up of a 311 system and, therefore, requests that an additional \$50,000 be appropriated from unspent FY 2006-07 carry-forward. Approval of this resolution will authorize the City Administrator to appropriate the funds in an amount not to exceed \$150,000 in Organization 90951, Fund 1010, Account 54919, Project C337210, and Program IP50. These one-time funds will be used exclusively to pay for the installation of Lagan's Citizen Relationship Management (CRM) solution.

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The ongoing costs related to the 311 system are \$30,000 per year, The Department of Information Technology will request during the mid-cycle adjustment budget supplementary funding of \$30,000 per fiscal year for two years, for maintenance and license fees.

## **BACKGROUND**

Established in 1994, Lagan is an enterprise case management and citizen relationship management (CRM) solution that integrates into non-emergency 311 systems or human services programs. Lagan's solutions provide the full range of functionality required by governments in a highly cost-effective manner. Lagan's Human Services & Non-Emergency/311 suites can be integrated seamlessly with a wide range of existing departmental systems, including the Public Work Agency (PWA) Work Management System.

The Lagan solution is a 311 type solution and is presently installed as part of the San Francisco 311 system. Besides San Francisco, Lagan is also being installed in Fort Wayne, Indiana; Los Angeles County; Minneapolis, Minnesota; Hartford, Connecticut, and others. Berkeley's system will be active in late Spring 2008.

As part of the evaluation process, staff from DIT, PWA and the Office of the Mayor visited the San Francisco 311 center to obtain "first hand" information on the system. Staff received positive feedback and valuable information on the system. In addition, DIT staff checked Lagan's other installations and planned installations; all received positive comments.

## **KEY ISSUES AND IMPACTS**

The Department of Information Technology (DIT), in cooperation with the Office of the Mayor, has researched and demonstrated solutions to meet the current and future needs of the Center and the City. DIT looked for a solution that successfully deployed and provided the City with the greatest flexibility for the future. This research has been on-going for some five years, as DIT also explored and proposed several 311 type solutions.

The Department of Information Technology has thoroughly investigated the various solutions available and requests that the Council waive the competitive bidding and competitive Request for Proposal/Request for Qualifications ("RFP/RFQ") selection requirements of the Oakland Purchasing Ordinance for this product and these technical services. San Francisco and Berkeley went through an extensive RFP competitive selection process in 2006 and 2007, respectively, which included demonstrations and testing of the Lagan product. The pricing for the system is comparable with those purchased by San Francisco and Berkeley. Therefore, with the aggressive pricing and limited staff availability due to the present installations, an additional competitive bidding or RFP/RFQ competitive selection process would not be beneficial to the City of Oakland.

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The proposed contract will meet and exceed the current requirements of the Oaklander's Assistance Center and position the City of Oakland for a 311 system in the future. This system, in conjunction with the City's Work Management System, will permit greater accountability and responsive constituent services. The data provided by this system will help identify the needs of the community, measure the City's responsiveness and provide residents with efficient access to City services.

## **PROJECT DESCRIPTION**

This project will provide new software to the Oaklander's Assistance Center for the tracking of constituent requests for information and City services. The installation is proposed to take less than 90 days from point of contract signing and will provide training as well as web integration.

The solution that is being proposed provides:

- Scalability
- Ability to track and record all constituent/City interactions
- Ability to integrate with existing and proposed City applications
- Knowledge Base
- Multilingual access
- Ease of use
- Configurable

## **SUSTAINABLE OPPORTUNITIES**

### ***Economic:***

Coordinated and responsive services convey a positive environment to residents, visitors and businesses. The improvements provided by the software and additional efficiency in the City will promote the City of Oakland and its services.

### ***Environmental:***

Coordinated contact for services and information saves on vehicular trips to City offices to gain information or services. Expansion of these types of services will allow greater efficiencies and greater use of environmental friendly solutions.

### ***Social Equity:***

Expanded and improved services through the Oaklander's Assistance Center provides services throughout the City of Oakland. This allows all residents, visitors and businesses access to their City government.

**DISABILITY AND SENIOR CITIZEN ACCESS**

This program recognizes the needs of our seniors and those with disabilities, by providing services via the phone and web. This allows those unable to travel or those with disabilities to gain direct access to services.

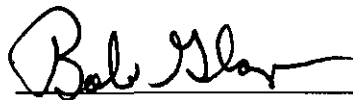
**RECOMMENDATION(S) AND RATIONALE**

It is recommended that Council authorize the City Administrator to execute a contract with the Lagan Company to provide the software and services needed to provide a CRM system for the Oaklander's Assistance Center. The system, as demonstrated in San Francisco and other cities, will meet and exceed the current needs of the City and position it for expanded services in the future.

**ACTION REQUESTED OF THE CITY COUNCIL**

Accept this report and adopt the resolution authorizing the City Administrator to execute a contract with the Lagan Company and, pursuant to Chapter 2.04, Article I, section 2.04.050.I.5, and to section 2.04.051.B of the Oakland Municipal Code ("OMC"), waive the City's competitive bidding and RFP/RFQ requirements for the purchase of products and professional services and materials needed for a CRM system for the Oaklander's Assistance Center contract.

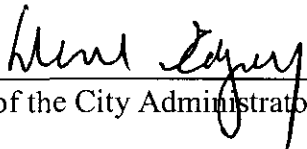
Respectfully submitted,



Bob Glaze, Director

Department of Information Technology

APPROVED AND FORWARDED TO THE  
FINANCE AND MANAGEMENT COMMITTEE:



Office of the City Administrator

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# OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

**RESOLUTION WAIVING (1) THE COMPETITIVE BIDDING AND (2) THE COMPETITIVE RFP/RFQ SELECTION REQUIREMENTS OF THE OAKLAND PURCHASING ORDINANCE AND AUTHORIZING THE CITY ADMINISTRATOR TO AWARD A CONTRACT TO LAGAN COMPANY FOR A CITIZEN RELATIONSHIP MANAGEMENT (CRM) SERVICES INFORMATION TECHNOLOGY SYSTEM IN AN AMOUNT NOT TO EXCEED \$150,000.00 FOR SOFTWARE, HARDWARE, AND INSTALLATION COSTS AND A TWO-YEAR MAINTENANCE AGREEMENT IN AN AMOUNT NOT TO EXCEED \$30,000 PER YEAR FOR A TOTAL CONTRACT NOT TO EXCEED TWO HUNDRED AND TEN THOUSAN DOLLARS (\$210,000.00)**

**WHEREAS**, the Department of Information Technology (DIT) is working to update and improve the service and reliability of the City's technology infrastructure; and

**WHEREAS**, the delivery and tracking of quality services is an important aspect of City service; and

**WHEREAS**, the City has explored various products and services to improve the quality and quantity of services to the Oakland community; and

**WHEREAS**, the Oaklander's Assistance Center is in need of an updated and enhanced tracking system; and

**WHEREAS**, the Lagan company has demonstrated that their product can meet the present and future needs of the Oaklander's Assistance Center; and

**WHEREAS**, the competitive process in San Francisco and Berkeley, California resulted in the selection of Lagan for its citizen relationship management (CRM) services application; and

**WHEREAS**, the estimated expenditure for the proposed CRM solution will not exceed \$150,000.00 in software, hardware, installation and a not to exceed \$30,000 per year in annual maintenance charges; and

**WHEREAS**, the Adopted Policy Budget, fiscal year 2007-08, approved a one-time appropriation of \$100,000 in budget authority for a 3-1-1 type system; and

**WHEREAS**, an additional \$50,000 be appropriated from unspent FY 2006-07 carry forward; and

**WHEREAS**, the City hereby finds and determines that pursuant to Chapter 2.04, Article I, section 2.04.050.1.5 of the Oakland Municipal Code ("OMC"), it is in the best interest of the City

to waive the competitive bidding requirements of OMC section 2.04.050 because both San Francisco and Berkeley went through an extensive Request For Proposal (“RFP”) competitive selection process that spanned 8 months and included demonstrations and testing of the Lagan product; and

**WHEREAS**, pursuant to OMC section 2.04.051 B, the City Council finds and determines that it is in the best interest of the City to waive the competitive Request For Proposals/Request For Qualifications (“RFP/RFQ”) selection requirements of OMC section 2.04.051A because both San Francisco and Berkeley went through an extensive RFP process that spanned 8 months and included demonstrations and testing of the Lagan product; and

**WHEREAS**, the City finds that this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

**RESOLVED:** That the City hereby finds and determines that pursuant to Chapter 2.04, Article I, OMC section 2.04.050.I.5, it is in the best interest of the City to waive the competitive bidding requirements of OMC section 2.04.050; and be it

**FURTHER RESOLVED:** Pursuant to OMC section 2.04.051 B, the City Council finds that it is in the best interest of the City to waive the competitive RFP/RFQ selection requirements of OMC section 2.04.051A; and be it

**FURTHER RESOLVED:** The City Administrator, or his/her designee, is authorized to execute a contract with Lagan Company for a citizen relationship management (CRM) services application in an amount not to exceed \$150,000.00 in software, hardware, installation and a not to exceed \$30,000 per year in annual maintenance charges, and be it

**FURTHER RESOLVED:** That the City Administrator, or his/her designee, is hereby authorized and empowered to approve any subsequent amendments to or extensions of said agreement with the exception of those related to an increase in compensation or the allocation of additional funds provided that such amendments or extensions shall be reviewed by the City Attorney and filed with the City Clerk’s Office; and be it

**FURTHER RESOLVED:** That the contract shall be reviewed and approved by the City Attorney’s Office for form and legality prior to execution, and a copy shall be placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2008

**PASSED BY THE FOLLOWING VOTE:**

AYES-BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council of  
the City of Oakland, California