



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: SEE BELOW

DATE: November 26, 2018

Approved

Date

11/29/18

SUBJECT: REPORT ON REQUEST FOR PROPOSAL FOR A PERMITTING SYSTEM FOR THE POLICE DEPARTMENT

RECOMMENDATION

Accept the report on the Request for Proposal and adopt a resolution authorizing the City Manager to:

- a. Execute an agreement with TruePoint Solutions, LLC (Loomis, CA) for professional services required to design, configure, implement, and deploy a Permitting System for the Police Department, including training, custom report development, and integration, for an initial three-year term beginning on or about December 17, 2018 and ending December 31, 2021, with a maximum compensation not to exceed \$375,000 during the initial three-year term, subject to the appropriation of funds;
- b. Execute an agreement with Infor Public Sector, Inc. (Rancho Cordova, CA) for the purchase of a Permitting System for the Police Department, including software subscriptions and ongoing support and maintenance, for an initial three-year term beginning on or about December 17, 2018 and ending December 31, 2021, with a maximum compensation not to exceed \$161,775 during the initial three-year term, subject to the appropriation of funds;
- c. Negotiate and execute amendments and change orders to the agreements with TruePoint Solutions, LLC and Infor Public Sector, Inc., as may be required for any unanticipated changes, including the purchase of additional subscriptions, for a contingency amount not to exceed \$135,000 during the initial three-year term, subject to the appropriation of funds; and
- d. Exercise one additional three-year option to extend the term of the agreements through December 31, 2024 to provide ongoing software subscriptions (including purchases of additional subscriptions as required), support, maintenance, and related professional services, subject to the appropriation of funds.

OUTCOME

To achieve operational efficiencies through the use of current technology and features to facilitate online application, processing, monitoring, inspection, and compliance for permits administered by the San José Police Department.

BACKGROUND

The San José Police Department (“Department”) issues approximately 5,000 permits each year across 35 to 40 different permit types to various businesses such as taxi companies, tow companies, massage parlors, entertainment venues, gaming establishments, bingo parlors, peddlers, and cannabis distributors. The Department monitors compliance with applicable laws through ongoing inspections and issues citations for non-compliance as required.

Permit applicants currently apply for permits by completing and submitting paper permit application forms. The Department then uses a combination of spreadsheets along with its mug capture software (a software application that takes the applicant’s picture for the permit) to generate, issue, and track the permits.

The Department requires a new online permitting system that:

- 1) Provides a public portal for applicants to submit permit applications, make payments, and track applications and permits; and
- 2) Allows City staff to process and approve applications, accept payments, schedule inspections, track inspection reports, issue citations, and other permit-related activities as required.

Staff conducted a Request for Information (RFI) in 2016 to obtain additional information regarding available permitting systems that might meet the Department’s preliminary requirements and specifications. Twelve vendors responded to the RFI. In addition, staff explored the possibility of leveraging the City’s existing permitting contract with CSDC Systems, Inc., but the vendor was unable to meet all of the Department’s requirements and exceeded the Department’s budget.

ANALYSIS

A Request for Proposal (RFP) for a Permitting System for the Police Department was published on the City’s e-procurement system in September 2017. The RFP solicited proposals for a turnkey solution that included the software as well as professional services required for configuration, implementation, and ongoing support and maintenance. Five proposals were received as follows:

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- Adoxio Business Solutions (Redmond, WA)
- Civil Systems, Inc. (Plano, TX)
- TruePoint Solutions, LLC (Loomis, CA)
- ViewPoint Government Solutions (Boston, MA)
- Visionary Integration Professionals, LLC (Folsom, CA)

Evaluation Process: Proposals were evaluated and scored independently by a five-member evaluation team from the Department. Four proposers who earned the highest scores were subsequently invited to oral presentations to 1) demonstrate their knowledge and understanding of the City’s requirements, 2) provide a comprehensive demonstration of their solution, and 3) provide detailed information on their project delivery approach to ensure that the City’s requirements are met. Following oral presentations, staff conducted a Best and Final Offer (BAFO) to make clarifications and obtain final pricing. Two of the four finalists were disqualified during the BAFO process for the following reasons: one exceeded the City’s budget and the other was received after the BAFO submittal deadline.

Evaluation scores for the remaining two finalists are summarized below:

Evaluation Criteria	Maximum Points	TruePoint Solutions, LLC	ViewPoint Government Solutions
Experience	15	10	9
Project Approach/Schedule	5	3	3
Technical Capabilities	15	11	10
Cost (BAFO)	15	15	15
Oral Interview/System Demonstration	40	33	29
Local Business Preference	5	0	0
Small Business Preference	5	0	0
TOTAL	100	72	66

Local and Small Business Preference: In accordance with City policy, ten percent of the total possible evaluation points were reserved for the local and small business preference. No proposers requested consideration for the preference; therefore, the preference was not a factor in the final outcome.

Protest: The RFP process included a ten-day protest period that commenced when the City issued the Notice of Intended Award. No protests were received.

Award Recommendation: The City recommends award of contract to TruePoint Solutions, LLC (“TruePoint”) as the most advantageous and best value proposal per the evaluation criteria set forth in the RFP. Their proposal met or exceeded all of the RFP specifications, and their solution was rated superior in the following key areas:

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- Experience, knowledge, and expertise deploying the proposed solution at other municipalities and governmental entities.
- Established and robust commercial off-the-shelf software that can be adapted with customizations to meet the City's workflow, business, and functional requirements.
- Intuitive and easy-to-use applicant portal and administrator console.
- Exceptional disaster recovery and business continuity planning, in partnership with Amazon Data Services, to ensure system security, protection of applicant information, high availability, and quick recovery and access to data in the event of a service disruption.

Staff conducted reference checks with the City of Long Beach (CA) and Calvert County (MD). Both references were positive.

Summary of Proposed Agreements: The agreement with TruePoint includes 1) professional services for project management, requirements gathering and business process mapping, implementation, configuration, and training, 2) fixed pricing for an initial three-year term, and 3) a detailed scope of services that includes requirements to ensure that the implemented system complies with all City security standards to protect user and payment card information, a preliminary project implementation plan, a compensation schedule with milestone payments tied to the successful completion of key project deliverables, and a final acceptance process that triggers release of retainage held on all implementation deliverables.

The TruePoint proposed solution included using Infor Public Sector Inc. ("Infor") as their third-party software vendor. The agreement with Infor includes software subscriptions, technical support, and maintenance at fixed pricing for the initial three-year term for their 1) Rhythm for Civics and 2) Community Development and Regulation software as a service (SaaS) applications.

Both agreements include provisions for one additional three-year option to extend the agreements for ongoing services. Increases in costs after the initial three-year term must be justified by the vendor(s), approved by the City, and are subject to the appropriation of funds.

EVALUATION AND FOLLOW-UP

This memorandum will not require any follow-up from staff.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the December 11, 2018 City Council meeting.

COORDINATION

This memorandum has been coordinated with the Police Department, the City Attorney's Office, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

There is no board or commission recommendation or input associated with this action.

FISCAL/POLICY ALIGNMENT

This action is consistent with the Council-approved budget strategy for the effective use of technology.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION (3-year initial term)	\$536,775
2. COST ELEMENTS:	
<u>TruePoint Software Implementation Services (~ 11 months)</u>	
- Project Management	\$29,800
- Business Requirements Development	52,000
- System Design, Configuration, and Implementation	105,600
- Integration with 3 rd party software	74,600
- Custom Reports	18,000
- Training	22,000
- Testing	14,000
- Go-Live	28,000
- Travel Reimbursement (Not to Exceed)	31,000
Implementation Subtotal	\$375,000
<u>Infor Ongoing Software Subscriptions, Support, and Maintenance</u>	
- Year 1 Annual Subscriptions, Support, and Maintenance	\$50,000
- Year 2 Annual Subscriptions, Support, and Maintenance	55,887
- Year 3 Annual Subscriptions, Support, and Maintenance	55,888
Ongoing Subscriptions, Support, and Maintenance Subtotal	\$161,775
CONTRACT NOT TO EXCEED TOTAL (3-year initial term)	\$536,775
Contingency	135,000
GRAND TOTAL	\$671,775

1. **SOURCE OF FUNDING:** General Fund – Police Non-Personal/Equipment
2. **FISCAL IMPACT:** After the initial three-year term, any increases in ongoing subscription and technical support costs must be justified by the vendor, approved by the City, and are subject to the appropriation of funds.

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the contract recommended as part of this memorandum.

Fund #	Appn #	Appn Name	Current Total Appn	Amt for Contract*	2018-2019 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
001	0502	Police – Non-Personal/Equipment	\$27,678,114	\$425,000	VIII-322	06/19/2018 Ord. No. 30124

*Amt for Contract reflects funding for 2018-2019 and includes \$375,000 for software implementation and \$50,000 for subscriptions. Funding beyond 2018-2019, including contingency, is subject to the annual appropriation of funds.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/

JULIA H. COOPER
Director of Finance

For questions, please contact Jennifer Cheng, Deputy Director of Finance, at (408) 535-7059.