
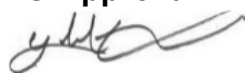


CITY COUNCIL ACTION REQUEST

DEPARTMENT(S) City Manager	CEQA Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	COORDINATION City Attorney's Office; City Manager's Budget Office; Finance Department; Information Technology Department	Director Approval  Dolan Beckel
COUNCIL DISTRICT(S) Citywide			CMO Approval  9/9/2025

SUBJECT: First Amendment to the Agreement with Guidehouse, Inc. for Organizational Change Management and Related Consulting Services

RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to negotiate and execute the First Amendment to the Master Consulting Agreement with Guidehouse, Inc. to increase the maximum compensation from \$350,000 by an additional amount of \$1,150,000 for a new maximum compensation not to exceed \$1,500,000 and extend the contract term by a period of six months, subject to the appropriation of funds.

BASIS FOR RECOMMENDATION

In 2023, the City began the process of implementing the City Council approved Customer Service Vision and Standards and associated recommendations which included the implementation of a Customer Relationship Management (CRM) System to track and share customer interactions using the Salesforce suite of software as the target CRM platform to improve the customer experience and customer satisfaction performance measures. It was determined that the City would need external partner(s) to augment the limited number of City staff available for this transformational effort which would span not only technology but also Organizational Change Management (OCM).

In 2024, the City conducted a competitive request for proposal to procure OCM and related consulting services. The purpose of these services is to ensure that any transformational effort being undertaken by the City includes not only the technology element but also the organizational change including customer service process enhancements (re-engineering), business priorities and requirements, and policies and procedures for customer service cultural alignment. Guidehouse, Inc. was one of the winning bidders. On February 6, 2025, the City entered into a Master Consulting Agreement with Guidehouse, Inc. for these services.

In parallel, the City conducted a competitive request for proposal to procure a services partner to replace the existing SJ311 platform and to implement an Enterprise (Citywide) CRM System. Given the City had several options to procure the OCM services, this competitive procurement prioritized the technology services as a mandatory part of the procurement and the OCM services as an optional and supplemental service. The winning bidder of this procurement, Infinite Solutions, Inc., did not propose on the OCM services. In order to fill this gap, staff are recommending approval of this first amendment to the Master Consulting Agreement with Guidehouse, Inc. The City is bringing the Infinite Solutions, Inc. award to the City Council on September 30, 2025.

This authorization enables the CRM work to move forward as one holistic team possessing the skillsets necessary for successful adoption of the CRM aligned with the City's Customer Service Vision and Standards, and associated recommendations.

Staff requests that City Council authorize the City Manager or her designee to negotiate and execute a first amendment to the agreement to increase the maximum compensation from \$350,000 by an amount of \$1,150,000 for a new maximum compensation not to exceed \$1,500,000, under the same material terms and conditions as the original agreement and subject to the appropriation of funds.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE

The recommended amendment to this agreement is funded by the Customer Service Vision and Standards appropriation in the General Fund. The 2025-2026 Adopted Operating Budget was approved on June 10, 2025 and adopted on June 17, 2025 by the City Council.

FOR QUESTIONS CONTACT: Dolan Beckel, City Manager's Chief of Staff at
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