

## **2.18 Report on the Request for Proposal for a OneCity Workplace Solution.**

### **Recommendation:**

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

- (a) Negotiate and execute an agreement with Simpplr Inc. (Redwood City, CA) for a OneCity Workplace Solution with an initial three-year term beginning on or about August 1, 2024 and ending on or about July 31, 2027, or as may be adjusted to align with the software renewal term, with a maximum compensation not to exceed \$979,300 for the initial term, subject to the appropriation of funds;
- (b) Negotiate and execute amendments and change orders for unanticipated changes in requirements for a contingency amount not to exceed \$100,000 during the initial three-year term, subject to the appropriation of funds; and
- (c) Exercise up to seven one-year options to extend the term of the agreement through June 30, 2034, or as may be adjusted to align with the software renewal term, subject to the appropriation of funds.

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



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Rick Bruneau

**SUBJECT:** SEE BELOW

**DATE:** May 20, 2024

Approved

Date

5/29/24

**SUBJECT: REPORT ON THE REQUEST FOR PROPOSAL FOR A ONECITY  
WORKPLACE SOLUTION**

## **RECOMMENDATION**

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

- (a) Negotiate and execute an agreement with Simpplr, Inc. (Redwood City, Ca) for a OneCity Workplace Solution with an initial three-year term beginning on or about August 1, 2024 and ending on or about July 31, 2027, or as may be adjusted to align with the software renewal term, with a maximum compensation not to exceed \$979,300 for the initial term, subject to the appropriation of funds;
- (b) Negotiate and execute amendments and change orders for unanticipated changes in requirements for a contingency amount not to exceed \$100,000 during the initial three-year term, subject to the appropriation of funds; and
- (c) Exercise up to seven one-year options to extend the term of the agreement through July 31, 2034, or as may be adjusted to align with the software renewal term, subject to the appropriation of funds.

## **SUMMARY AND OUTCOME**

Authorizing the City Manager or her designee to take these actions provides City staff with an intranet site that better suits our modern hybrid workforce. OneCity Workplace will transition the City's existing intranet site and multiple sources of information into a centralized internal network to create a more functional and collaborative space for our hybrid workforce.

## **BACKGROUND**

Since the start of the COVID-19 pandemic, the City expanded its virtual and hybrid working models and it became apparent that the City's virtual workspace was not optimal to support the increased demand by staff for a hybrid environment. As the hybrid work environment has now become the primary work model for City staff, it is important to modernize the current virtual workspace to meet the demand.

OneCity Workplace is the City's solution for the challenge. It will transition the City's existing intranet site and mix of portals to a more functional and collaborative space that better suits a modern hybrid workforce. By integrating the City's work processes and common technology tools, staff aims to implement a platform that makes it easier for teams to mimic in-person activities online.

In fall 2020, the City conducted a Request for Information for OneCity Workplace, however, the information received did not identify a platform that could fully address the City's objectives. In October 2022, City staff released a second Request for Information to gather information on the most updated solutions, their technical architecture, and cost structures to refine project requirements. The second Request for Information yielded further information on how the OneCity Workplace would transition the City's existing intranet site and multiple sources of information into a centralized internal network, where City staff can coordinate and collaborate with one another, and how the intranet site can leverage the latest artificial intelligence-powered chatbot technology.

The City Manager's Office of Communications and the Information Technology Department will be co-leading the OneCity Workplace project in collaboration with the Human Resources, Finance, and Public Works departments.

## **ANALYSIS**

In September 2023, the Finance Department released a Request for Proposals (RFP) on behalf of the Information Technology Department for a OneCity Workplace Solution through the City's e-procurement system, Biddingo. Over 8,300 vendors were notified of the bid opportunity through Biddingo, and 24 companies viewed the RFP. Four vendors submitted proposal responses prior to the submittal deadline.

***Evaluation Process:*** Proposals were independently evaluated and scored, in accordance with the evaluation criteria set forth in the RFP, by a five-member evaluation team comprised of representatives from the City's Finance Department, Information Technology Department, Human Resources Department, Public Works Department, and the City Manager's Office. Following the initial scoring of proposal responses by the evaluation team, three proposers were moved forward to oral interviews/system demonstrations. City staff conducted the cost proposal phase with the two top-ranked finalists, followed by a technology, security, and privacy review with the highest scoring finalist. Final scores for the two finalists are listed below.

| Evaluation Criteria                      | Maximum Points | Inergex, LLC<br>dba Crossfuzze | Simpplr, Inc. |
|--|----------------|--------------------------------|---------------|
| Technology, Security, and Privacy Review | Pass/Fail      | N/A                            | Pass          |
| General Requirements                     | 10             | 6                              | 4             |
| Experience/Qualifications                | 10             | 6                              | 4             |
| Project Approach/Schedule                | 10             | 6                              | 4             |
| Technical Capabilities                   | 10             | 6                              | 7             |
| Phase 3 - Cost Proposal                  | 20             | 6                              | 20            |
| Oral Interview/System Demonstration      | 30             | 21                             | 27            |
| Local Business Enterprise                | 5              | 0                              | 0             |
| Small Business Enterprise                | 5              | 0                              | 0             |
| <b>TOTAL</b>                             | <b>100</b>     | <b>51</b>                      | <b>66</b>     |

**Local and Small Business Enterprise Preference:** In accordance with City of San José Municipal Code Section 4.12.320, 10 percent of the total evaluation points were reserved for the local and small business preferences. Neither of the two finalists requested or qualified for the City’s local or small business preference points. The local and small business preferences were not a factor in the final award.

**Protest:** The City RFP process included a 10-day protest period that began when the City issued the Notice of Intended Award on April 18, 2024. No protests were received.

**Award Recommendations:** Based on the results of the RFP, staff recommends award of contract to Simpplr, Inc., as the highest-ranked responsive and responsible proposer per the evaluation criteria and specifications set forth in the RFP. The vendor’s proposal was rated highly in the following key areas:

- Lowest total cost of ownership, including implementation, software license/subscription, support, and maintenance;
- Meets and exceeds the technical requirements, including comprehensive integration capabilities, personalized user experience, effective collaboration tools; and
- Includes the latest artificial intelligence-powered chatbot technology along with machine learning enabled search functionality.

Staff conducted reference checks for Simpplr, Inc. with the Leukemia and Lymphoma Society (NY) and Nutanix, Inc. (CA). All references provided positive feedback.

**Summary of Agreement:** The agreement with Simpplr, Inc. will be in accordance with the City’s standard terms and conditions and include the following provisions:

- Detailed scope of work to ensure the provided services comply with City requirements;
- Project implementation plan/schedule;
- Fixed, not-to-exceed pricing for the three-year initial term; and
- Seven one-year options to extend the agreement through July 31, 2034, or as may be adjusted to align with the software renewal term, with no increases for the first two option years, then vendor requests for pricing adjustments during remaining terms to be considered by the City in accordance with the Producer Price Index, but not to exceed five percent over the previous year.

**EVALUATION AND FOLLOW-UP**

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

**COST SUMMARY/IMPLICATIONS**

The agreement recommended in this memorandum will be funded by the City's General Fund and will be subject to appropriations through the future annual budgeting process.

**1. AMOUNT OF RECOMMENDATION (Three-Year Initial Term) \$979,300**

**2. COST ELEMENTS:****Three-Year Initial Term**

|   |          |
|---|----------|
| - One-Time Implementation Services  | \$85,000 |
| - 1 <sup>st</sup> Year Software Subscription<br>(includes unlimited data storage, technical support, and maintenance) | 298,100  |
| - 2 <sup>nd</sup> Year Software Subscription<br>(includes unlimited data storage, technical support, and maintenance) | 298,100  |
| - 3 <sup>rd</sup> Year Software Subscription<br>(includes unlimited data storage, technical support, and maintenance) | 298,100  |

**CONTRACT NOT-TO-EXCEED TOTAL (Three-Year Initial Term) \$979,300**

Contingency (subject to an executed change order or amendment) 100,000

**GRAND TOTAL NOT-TO-EXCEED TOTAL (Three-Year Initial Term) \$1,079,300**

**BUDGET REFERENCE**

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

| <b>Fund #</b> | <b>Appn. #</b> | <b>Appn. Name</b>  | <b>Total Appn.</b> | <b>Amt. for Contract*</b> | <b>2024-2025 Proposed Operating Budget Page</b> | <b>Last Budget Action (Date, Ord. No.)</b> |
|---------------|----------------|--|--------------------|---------------------------|---|--|
| 001           | 220S           | Recovery Foundation and Drive to Digital - OneCity Workplace | \$900,000          | \$383,100                 | 789   | 6/20/2023, 30933                           |

\*The contingency of \$100,000 in recommendation (b) and the annual software subscription fees for the second and third years of the initial term are subject to the appropriation of funds through the City's future annual budgeting process.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office, City Manager's Office of Communications, and the Information Technology Department.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the June 11, 2024 City Council meeting.

### **COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input is associated with this action.

### **CEQA**

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

### **PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/  
RICK BRUNEAU  
Director of Finance

For questions regarding the procurement and contract, please contact Albie Udom, Chief Procurement Officer and Deputy Director of Finance – Purchasing and Risk Management Division, at [albie.udom@sanjoseca.gov](mailto:albie.udom@sanjoseca.gov). For program-related questions, please contact Khaled Tawfik, Chief Information Officer, at [Khaled.Tawfik@sanjoseca.gov](mailto:Khaled.Tawfik@sanjoseca.gov).