

2.14 Report on Request for Proposal and Actions Related to the Purchase Order for a Youth Services Data Management Solution.

Recommendation:

Adopt a resolution authorizing the City Manager or her designee to:

(a) Negotiate and execute an agreement and purchase order with Hasler Enterprise Solutions, LLC (Irvine, CA) for a Youth Services Data Management Solution for the City's Parks, Recreation and Neighborhood Services Department, with an initial three-year term beginning on or about July 1, 2024, and ending on or about June 30, 2027, or as may be adjusted to align with the software renewal term, with a maximum compensation not to exceed \$529,372;

(b) Approve a contingency of \$52,937 for unanticipated and related services, subject to the appropriation of funds; and

(c) Exercise up to four one-year options to extend the term of the agreement for a possible maximum term of seven years, subject to the appropriation of funds.

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



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rick Bruneau

SUBJECT: SEE BELOW

DATE: May 28, 2024

Approved

Date

6/6/24

**SUBJECT: REPORT ON REQUEST FOR PROPOSAL AND ACTIONS RELATED
TO THE PURCHASE ORDER FOR A YOUTH SERVICES DATA
MANAGEMENT SOLUTION**

RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to:

- a) Negotiate and execute an agreement and purchase order with Hasler Enterprise Solutions, LLC (Irvine, CA) for a Youth Services Data Management Solution for the City's Parks, Recreation, and Neighborhood Services Department, with an initial three-year term beginning on or about July 1, 2024 and ending on or about June 30, 2027, or as may be adjusted to align with the software renewal term, with a maximum compensation not to exceed \$529,372;
- b) Approve a contingency of \$52,937 for unanticipated and related services, subject to the appropriation of funds; and
- c) Exercise up to four one-year options to extend the term of the agreement for a possible maximum term of seven years, subject to the appropriation of funds.

SUMMARY AND OUTCOME

Authorizing the City Manager or her designee to take these actions provides City staff with a new software solution for youth services data management to manage cases on one-to-one youth intervention sessions, mediations, gender-specific cognitive groups, hospital-based interventions, case management, job skills training, employment preparation services, cognitive behavioral therapy, referrals to outside agencies, and enrichment and recreational activities.

BACKGROUND

The City's Parks, Recreation, and Neighborhood Services Department (PRNS) provides social services to a wide variety of individuals and families. The services are provided specifically by San José Youth Empowerment Alliance (Alliance), City-staffed programs, and the Bringing Everyone's Strengths Together (BEST)-funded nonprofit agencies. The new youth services data management solution will be used by Alliance. The BEST organizations may use its own data management information systems in combination with a youth services data management solution. Alliance is the City's youth violence reduction strategy and services are primarily provided in San José's Priority Neighborhoods, which are areas that experience the most youth crime, including gang-related activity and crimes.

The existing case system used by PRNS and partner organizations, QuesGen Systems, is outdated and has limited functionalities. As the requirements of the youth programs evolved and expanded, it became apparent that a newer system was needed to meet the requirements. QuesGen Systems was implemented in September 2016 and was used for only three out of the seven youth intervention programs. QuesGen Systems was used for case management and incident responses for limited programs.

ANALYSIS

In June 2023, the Finance Department released a Request for Proposal for a youth services data management software solution to replace the current system used by PRNS. The proposed solution will provide PRNS and its partner organizations with a more robust, comprehensive, and up-to-date platform to better manage their cases.

Evaluation Process: Eight responsive proposals were received prior to the submittal deadline. The proposals were evaluated and scored independently by a three-member evaluation panel comprised of representatives from PRNS and the City's Information Technology Department.

Following the initial evaluation, the six top-scoring proposers were invited to participate in oral interviews/system demonstrations. The five top-scoring proposers, after oral interviews/system demonstrations, participated in a best and final offer process. The City conducted a second best and final offer process with the same five proposers. One proposer withdrew its proposal during the second best and final offer stage. Of the remaining four proposers, Hasler Enterprise Solutions, LLC (Hasler) scored the highest. The final scores for the four remaining proposers are shown in the table below. Staff then successfully conducted a technology, security, and privacy review check on Hasler. Staff also conducted reference checks for Hasler with Pima County and The Education Fund. All references provided positive feedback.

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| Evaluation Criteria | Points Available | Launchpad Careers, Inc. | Catalyst Consulting Group, Inc. | Hasler Enterprise Solutions, LLC | Empyra.com, Inc. |
|--|-------------------------|--------------------------------|--|---|-------------------------|
| Proposal Responsiveness | Pass/Fail | Pass | Pass | Pass | Pass |
| Technology, Security, and Privacy Review | Pass/Fail | N/A | N/A | Pass | N/A |
| General Requirements | 10 | 9 | 9 | 9 | 9 |
| Experience and Qualifications | 15 | 12 | 13 | 12 | 8 |
| Project Approach / Schedule | 10 | 6 | 9 | 8 | 7 |
| Technical Capabilities | 15 | 9 | 11 | 12 | 10 |
| Cost Proposal (BAFO)* | 20 | 9 | 0** | 13 | 20 |
| Oral Interview/ System Demonstration | 20 | 15 | 18 | 19 | 16 |
| Local Business Enterprise | 5 | 0 | 0 | 0 | 0 |
| Small Business Enterprise | 5 | 0 | 0 | 0 | 0 |
| TOTAL SCORE | 100 | 60 | 60 | 73 | 70 |

*Rescored after fifth proposer withdrew from consideration.

** Scored zero because it could not deliver the Solution within City's disclosed budget.

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. None of the proposers qualified for the City's local and small business enterprise preferences.

Protest: No protests were received during the 10-day protest period.

Award Recommendations: Based on these results, staff recommends award of the contract to Hasler whose proposal was scored as the highest-ranked responsive and responsible proposal per the evaluation criteria and specifications set forth in the Request for Proposal.

EVALUATION AND FOLLOW-UP

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

COST SUMMARY/IMPLICATIONS

The agreement and purchase order recommended in this memorandum will be funded by the San José Bringing Everyone's Strengths Together and Safe Summer Initiative Programs appropriation which has a base budget of \$6.9 million, with approximately \$420,000 additional rebudgeted funds contributing to a total budget of \$7.3 million for 2024-2025. Costs are provided below for implementation of the solution and software subscription fees for the initial three-year term.

This request includes a \$52,937 contingency due to the longer contract initial term of three years and an anticipated need for additional, currently unknown, customizations to enhance and modify the new software solution for City use. Contingency may also be used for additional licensing, upgrades, and other technology-related issues. Use of contingency will require an executed contract amendment or change order.

The software solution is anticipated to be ready for use in the fall of 2025. Ongoing costs following the initial three-year term are estimated to be \$115,487 per year which will be funded using existing funds, with any increases subject to vendor request in accordance with the Producer Price Index, but not to exceed 3% of the previous year's fees, and will be subject to appropriations through the annual budgeting process. If additional funds are required for licensing, upgrades, staffing, and other related costs beyond what is listed below, budget actions related to the use of the reserve will be brought through future budget processes.

| | |
|--|------------------|
| 1. AMOUNT OF RECOMMENDATION | \$529,372 |
| 2. COST ELEMENTS: | |
| <u>Three-Year Initial Term</u> | |
| -One-Time Implementation Services | \$182,911 |
| -1 st Year Software Subscription | \$115,487 |
| -2 nd Year Software Subscription | \$115,487 |
| -3 rd Year Software Subscription | \$115,487 |
| CONTRACT NOT-TO-EXCEED TOTAL (Three-Year Initial Term) | \$529,372 |
| Contingency (subject to an executed change order or amendment) | \$52,937 |
| GRAND TOTAL NOT-TO-EXCEED TOTAL (Three-Year Initial Term) | \$582,309 |

BUDGET REFERENCE

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

| Fund # | Appn # | Appn. Name | Total Appn | Amt. for Recommendation* | 2024-2025 Proposed Operating Budget Page** | Last Budget Action (Date, Ord. No.) |
|--------|--------|---|----------------|--------------------------|--|-------------------------------------|
| 001 | 2778 | San José BEST and Safe Summer Initiative Programs | \$7,296,334*** | \$235,848 | 784 | NA |
| 001 | 218V | San José BEST Accountability and Oversight | \$184,189*** | \$115,487 | NA | NA |

* The total contract amount is \$582,309. The recommendation amount is \$351,335 for 2024-2025 which includes one-time implementation services of \$182,911, year 1 of the software subscription of \$115,487, and contingency of \$52,937 in accordance with recommendation (b). Funding of \$115,487 for the software subscription in the subsequent years will be subject to the appropriation of funds through the annual budget process and will be subject to an amended purchase order.

** The 2024-2025 Operating Budget is scheduled to be adopted by City Council on June 18, 2024.

*** Assumes approval of the recommendations to rebudget \$420,000 for San José BEST and Safe Summer Initiative Programs and \$184,189 for San José BEST Accountability and Oversight that were included in the Approval of Various Budget Actions for Fiscal Year 2024-2025 Manager's Budget Addendum #29. This will ensure there is sufficient funding for these services.

COORDINATION

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

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 18, 2024 City Council meeting.

HONORABLE MAYOR AND CITY COUNCIL

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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 changes to the physical 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, please contact Albie Udom, Deputy Director of Finance – Purchasing & Risk Management, at Albie.Udom@sanjoseca.gov.

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO: (A) NEGOTIATE AND EXECUTE AN AGREEMENT AND PURCHASE ORDER WITH HASLER ENTERPRISE SOLUTIONS, LLC (IRVINE, CA) FOR A YOUTH SERVICES DATA MANAGEMENT SOLUTION FOR THE CITY'S PARKS, RECREATION AND NEIGHBORHOOD SERVICES DEPARTMENT, WITH AN INITIAL THREE-YEAR TERM BEGINNING ON OR ABOUT JULY 1, 2024, AND ENDING ON OR ABOUT JUNE 30, 2027, OR AS MAY BE ADJUSTED TO ALIGN WITH THE SOFTWARE RENEWAL TERM, WITH A MAXIMUM COMPENSATION NOT TO EXCEED \$529,372; (B) APPROVE A CONTINGENCY OF \$52,937 FOR UNANTICIPATED AND RELATED SERVICES, SUBJECT TO THE APPROPRIATION OF FUNDS; AND (C) EXERCISE UP TO FOUR ONE-YEAR OPTIONS TO EXTEND THE TERM OF THE AGREEMENT FOR A POSSIBLE MAXIMUM TERM OF SEVEN YEARS, SUBJECT TO THE APPROPRIATION OF FUNDS

WHEREAS, the Council of the City of San José ("City") desires to adopt this resolution for the reasons set forth in the memorandum, dated May 28, 2024, from the Director of Finance, Rick Bruneau, for the June 18, 2024 City Council meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager or her designee is hereby authorized to:

- (a) Negotiate and execute an agreement and purchase order with Hasler Enterprise Solutions, LLC (Irvine, CA) for a Youth Services Data Management Solution for the City's Parks, Recreation and Neighborhood Services Department, with an initial three-year term beginning on or about July 1, 2024, and ending on or about

June 30, 2027, or as may be adjusted to align with the software renewal term,
with a maximum compensation not to exceed \$529,372;

- (b) Approve a contingency of \$52,937 for unanticipated and related services, subject to the appropriation of funds; and
- (c) Exercise up to four one-year options to extend the term of the agreement for a possible maximum term of seven years, subject to the appropriation of funds.

ADOPTED this ____ day of _____, 2024, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk