

## **2.18 Report on Request for Proposal for a Unified Communications and Contact Center System.**

### **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 Total Communication Solutions (Manasquan, NJ) for a Unified Communications and Contact Center System 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 \$1,869,944;

(b) Negotiate and execute amendments and change orders for unanticipated changes in requirements for a contingency amount not to exceed \$186,994 during the initial term; and

(c) Exercise up to three three-year options to extend the term of the agreement for a possible maximum term of 12 years, 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 28, 2024

Approved



Date

6/5/24

**SUBJECT: REPORT ON REQUEST FOR PROPOSAL FOR A UNIFIED  
COMMUNICATIONS AND CONTACT CENTER SYSTEM**

## **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 Total Communication Solutions (Manasquan, NJ) for a Unified Communications and Contact Center System 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 \$1,869,944;
- (b) Negotiate and execute amendments and change orders for unanticipated changes in requirements for a contingency amount not to exceed \$186,994 during the initial term; and
- (c) Exercise up to three three-year options to extend the term of the agreement for a possible maximum term of 12 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 Unified Communications as a Service and Contact Center as a Service that leverage current technology and allows the City to meet its dynamic communications needs. Unified Communications as a Service technologies allow employees the flexibility to use voice, video, text, and chat to improve communication and collaboration within the organization and with the community. Using cloud-hosted services reduces the City's reliance on a City-owned server and security hardware and provide the option to replace physical phones with communications software. Employees can make and receive calls from any location with internet access and attend virtual meetings utilizing standard computing or mobile devices.

Contact Center as a Service is a cloud-based service for contact centers that features advanced abilities to engage with the public through the use of phone calls, text, chat, and callback in queue options and improved performance analytics. The use of cloud computing allows for greater flexibility and efficiency for hybrid work options for call center operators.

## **BACKGROUND**

The City's current Voice Over IP and Contact Center services are critical enterprise applications for voice-only communications. These systems were last updated over 10 years ago, when on-premises hardware was replaced with a vendor hosted solution. Desk phones can only be used at City facilities and provide basic voice features and limited call handling options. Currently, staff is required to be onsite to make and receive calls using their desk phone.

Call Center services also require staff to be on premises or use virtual private network software to connect to an internal City network before they can access hosted services and work remotely. The use of virtual private network created additional connection layers that resulted in connection reliability issues and poor-quality services.

## **ANALYSIS**

In September 2023, the Finance Department released a Request for Proposal for a Unified Communications and Contact Center System through the City's e-procurement system, Biddingo. Over 9,000 vendors were notified by Biddingo of the bid opportunity in their daily bid notifications, and 81 companies viewed the Request for Proposal. Fourteen vendors submitted proposals prior to the submittal deadline.

***Evaluation Process:*** The submitted proposals were independently evaluated and scored, in accordance with the evaluation criteria set forth in the Request for Proposal, by a three-member evaluation team comprised of representatives from the Information Technology Department. Following initial scoring of proposal responses by the evaluation team, staff conducted oral interviews/system demonstrations with five respondents. The four highest scoring vendors after oral interviews/system demonstrations then participated in the cost proposal evaluation phase. The highest scoring vendor following the cost proposal evaluation phase then participated in a technology, security, and privacy review. Evaluation results for the finalists are summarized below.

Score With Oral Interview / Demo	Points Available	AT&T	Cloud Revolution LLC	ConnX, Inc.	Total Communications Solutions
Technology, Security, and privacy Review	Pass/fail	N/A	N/A	N/A	Pass
General Requirements	15	12.0	12.0	10.0	8.0
Experience and Qualifications	10	7.0	7.0	7.0	7.0
Project Approach/Schedule	10	8.0	8.0	7.0	8.0
Technical Capabilities	15	11.0	12.0	11.0	11.0
Local Business Enterprise	5	5.0	0.0	0.0	0.0
Small Business Enterprise	5	0.0	0.0	0.0	0.0
Oral Interview/System Demonstration	20	14.0	17.0	16.0	18.0
Cost Form	20	12.0	11.0	8.0	20.0
<b>TOTAL SCORE</b>	<b>100</b>	<b>69.0</b>	<b>67.0</b>	<b>59.0</b>	<b>72.0</b>

Staff also conducted checks with the three references the proposed awardee provided. All three references provided positive feedback.

**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. One proposer requested and received the local business preference points.

**Protest:** The City Request for Proposal process included a 10-day protest period that began when the City issued the Notice of Intended Award on May 1, 2024. No protests were received.

**Award Recommendations:** Based on these results, staff recommends award of contract to Total Communications Solutions as the highest-ranked proposer based on the evaluation results.

**Summary of Agreement:** The agreement with Total Communications Solutions 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 initial three-year term; and
- Three three-year options to extend the agreement through June 30, 2036, or as may be adjusted to align with the software renewal term, with vendor requests for pricing adjustments during the option terms to be considered by the City in accordance with the Producer Price Index, but not to exceed three percent over the previous year.

Funding for the contracts recommended as part of this memorandum will be from various City departments, subject to the appropriation of funds.

## **COORDINATION**

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

## **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the June 18, 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 procurement- and contract-related questions, please contact Albie Udom, Deputy Director of Finance – Purchasing and Risk Management, at [albie.udom@sanjoseca.gov](mailto:albie.udom@sanjoseca.gov). For program-related questions, please contact [ed.kim@sanjoseca.gov](mailto:ed.kim@sanjoseca.gov), Deputy Director, Information Technology Department.