



Office of the City Manager

CONSENT CALENDAR

April 25, 2017

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Savita Chaudhary, Director, Information Technology

Subject: Contract No. 7258E Amendment: Verint Systems Inc. for Customer Relationship Management (CRM) Software Maintenance

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend Contract No. 7258E with Verint Systems, Inc. for CRM software maintenance for two years from March 23, 2007 through June 30, 2019, increasing the amount by \$58,539 for a total contract amount not-to-exceed \$924,844.

FISCAL IMPACTS OF RECOMMENDATION

This amendment will extend software licensing and maintenance from March 23, 2007 through June 30, 2019. Appropriation of this funding is subject to Council's approval of the proposed city-wide Fiscal Year 2018 and Fiscal Year 2019 Budget and Annual Appropriation Ordinance. Funding is allocated in the Department of Information Technology's Fiscal Year 2018 and Fiscal Year 2019 General Fund as follows:

\$ 29,124	FY 2018: Software Maintenance Budget Code: 010-2709-410-3047 (General Fund, Information Technology, Software Maintenance)
\$ 29,539	FY 2019: Software Maintenance Budget Code: 010-2709-410-3047 (General Fund, Information Technology, Software Maintenance)
\$ 58,539	Total FY 2018 and 2019 Software Maintenance

This amendment has been entered into the City's Contract Management System and assigned CMS No. GDWXZ.

CURRENT SITUATION AND ITS EFFECTS

The City uses Verint's CRM software, Lagan, to support 311 Customer Service in routing, monitoring, and reporting on over 100,000 requests for service per year. Lagan also tracks routine inquiries and non-routine cases for a wide range of City services, including refuse pickup, parking tickets, Public Records Act requests, and billing inquiries.

Lagan's knowledgebase provides answers to routine questions from members of the public, and staff members use Lagan to route non-routine requests (known as "cases") to line of business experts in Public Works, Finance, Health, Housing, and Community Services, Human Resources, and other City Departments. Once a case is routed with a unique identification number, members of the public can call 311 for updates no matter which department is working to resolve the case.

A new CRM system implementation is currently scheduled for Fiscal Year 2019 under the Department of Information Technology's Digital Strategic Plan. A new CRM system will give 311 the ability to capture, route, and manage all forms of requests through multiple communication channels, and allow community members to see status of their requests through the on line service center portal or a City of Berkeley branded mobile solution.

BACKGROUND

In 2006, City Council prioritized and funded a Customer Service Improvement (CSI) initiative in response to community feedback. The CSI initiative included the implementation of a 311 Call Center and a CRM system.

In March 2007, after completing the competitive bidding process through Specification No. 06-10103-C, the City selected and contracted with Lagan Technologies, Inc. to purchase their CRM software. In February 2008, the City of Berkeley piloted the 311 Customer Service Call Center and begin using the Lagan's CRM system to assist community members. In December 2009, June 2012, May 2013, and April 2016 the contract was amended to provide software maintenance and City-wide training through June 2017.

In 2010, the 311 Customer Service Call Center was assigned to the Department of Information Technology, and KANA Software acquired Lagan Technologies. In February 2014, Verint Systems, Inc. acquired KANA Software.

In 2015, the City of Berkeley approved a version upgrade from Lagan 7 to Lagan 14. Information Technology staff and Verint technologists are currently testing Lagan 14 and the upgrade is scheduled to be completed in June 2017. Added functionality includes ability to reclassify cases which will greatly improve work allocation and reporting of online service center cases, and cases assigned to other service departments. Lagan 14 also allows for addition of notes and photos to closed cases without reopening them, and backdating case creation and closure dates. These features will be an asset in adding notes Public Records Act (PRA) cases and aid in reporting accuracy of PRA closure dates. Other productivity features includes emailing community member directly from the Lagan software and generating notification of case completion.

Verint's Knowledge database is a critical tool for staff. Features and functionality include role base authoring and approvals with embedded workflow. Departments can easily contribute to knowledge articles in the new environment. An expanded taxonomy allows for greater article search capability, build out of FAQ's and enhanced indexing web based knowledge. The robust product will enable 311 to build out knowledge and index articles

for quicker searches. A replacement of the online service center will take place with the purchase of a new CRM system planned for FY2019.

ENVIRONMENTAL SUSTAINABILITY

CRM has helped significantly reduce the number of paper-based tracking and reporting systems used by departmental programs. The CRM interactions (routine inquires and non-routine cases) are processed by 311 Customer Service and other City Staff. Lagan CRM is used to log the following work activities on a yearly basis: approximately 50,000 city services cases, 25,000 service inquiries, 75,000 follow up notes and 15,000 knowledge queries.

RATIONALE FOR RECOMMENDATION

Verint Systems Inc. is the only vendor that provides authorized maintenance for its software system. Renewing the existing agreement ensures continued technical support and software updates to the CRM system.

ALTERNATIVE ACTIONS CONSIDERED

Staff considered operating the software without a maintenance agreement, however Verint retains exclusive rights to their software. Maintenance and support is available only from them. Due to the complexity and scale of the software and the limited ability of our staff to conduct maintenance and apply patches, it is staff recommendation to renew the maintenance contract for one year while we look for a CRM replacement.

CONTACT PERSON

Savita Chaudhary, Director, Department of Information Technology, 981-6541

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 7258E AMENDMENT: VERINT SYSTEMS INC. FOR CUSTOMER
RELATIONSHIP MANAGEMENT (CRM) SOFTWARE MAINTENANCE

WHEREAS, City Council established and funded the Customer Service Improvement Initiative as a priority in Fiscal Year 2006 to address the City's overall customer service needs; and

WHEREAS, in 2007 Lagan Technologies, a Community Relationship Management (CRM) software system was selected through competitive proposal with Specification No. 06-10103-C, and in 2008 the City of Berkeley piloted the 311 Customer Service Call Center with Lagan's CRM solution; and

WHEREAS, in 2010 KANA Software, Inc. acquired Lagan Technologies and in 2014, Verint Systems, Inc. acquired KANA Software, Inc.; and

WHEREAS, Verint Systems, Inc. provides a comprehensive technical CRM platform, reasonably priced software maintenance, and responsive support services; and

WHEREAS, funding is allocated in the Fiscal Year 2018 and Fiscal Year 2019 Department of Information Technology budget account 010-2709-410-3047 and this amendment has been entered into the City's Contract Management System (CMS) and assigned CMS No. GDWXZ.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to amend Contract No. 7258E with Verint Systems Inc. for software maintenance, under CMS No. GDWXZ, increasing the amount by \$58,539 for a total contract value not-to-exceed \$924,844 from March 23, 2007 through June 30, 2019.