

Agenda Report

May 18, 2015

TO: Honorable Mayor and City Council

FROM: Department of Information Technology

SUBJECT: APPROVAL OF INCREASE TO PURCHASE ORDER 58357 WITH NTT DATA INC. FOR IT TEMPORARY STAFFING SERVICES

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed contract is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b) (3); and
2. Authorize an increase to Purchase Order number 58357 with NTT Data, Inc. for Information Technology temporary staffing services in the amount of \$600,000, thereby increasing the not to exceed amount from \$400,000 to \$1,000,000. Competitive bidding is not required pursuant to City Charter Article X Section 1002(F), Contracts for professional or unique services.

BACKGROUND:

The Department of Information Technology (DoIT) is responsible for providing citywide technical support services in several key areas: applications, enterprise computing, Geographic Information Systems (GIS), network and wireless, program and project management, radios, telecommunications, and phone and field support through the Service Center (Help Desk).

In addition to these IT support services, DoIT is continuing to implement projects that are part of the Citywide IT Strategic Plan (2011-2016). Areas of need for IT temporary staffing services have included project management services, business systems analysts, change management, mobile and online application development, website development, Water & Power projects, and back-fill of various roles in DoIT due to staff vacancies. Therefore, in an effort to meet these various needs, staff initiated a Request for Proposals (RFP) for IT Temporary Staffing Services back on July 18, 2012.

On October 22, 2012, in response to the RFP, City Council approved the issuance of a purchase order contract to Superior Technical Resources, Inc. in the amount of

\$500,000 annually. This approval was for one-year with two optional renewal periods at the discretion of the City Manager, which have been exercised, and the final one-year extension will end in October of this year. Additionally, the next five highest ranked firms, AppleOne Employment Services, Sierra Cybermetrics, Inc., Partners in Diversity, Inc., NTT Data, Inc. and ASK Staffing, Inc., were placed on a pre-approved vendor list to provide as-needed IT temporary services. Staff agreed to return to Council for authorization in the event a contract to any one of these pre-approved vendors exceeded \$74,999. Pursuant to that, on March 18, 2013 Council authorized an increase to the purchase order contract with NTT Data, Inc. to \$400,000 annually based on the volume and length of assignments engaged with candidates from that firm.

Since 2012, procedurally, whenever temporary staffing needs arise, staff has solicited candidate resumes from all six temporary staffing firms. NTT candidates have been of a higher caliber and consistently outperform those from the other five pre-approved agencies in the screening and interview process, and as a result, have often been selected for the majority of advertised assignments. Currently, these assignments include needs associated with the ERP project in meeting critical project milestones like the launch of the Budget Module in November 2014, and the impending launch of the Financial Modules in July of this year. Project management services were also recently secured for the Land Management and Permitting System (LMS) project, of which, a contract award and project kick-off is expected this summer. Temporary staffing services will also be required for implementation of the recently approved Enterprise Content Management System (ECMS) in March of this year. Finally, at any time throughout the year, DoIT has experienced anywhere from two to seven personnel vacancies. While every effort is made to fill these vacancies as soon as possible, generally there is a need to back-fill while the recruitment process is in progress.

Therefore, based on the anticipated length of these assignments, staff is requesting an increase to the purchase order contract with NTT Data, Inc. in the amount of \$600,000 for a total not to exceed amount of \$1,000,000. Since this contract is the final one-year extension lasting through October 2015, staff is preparing a new RFP to solicit and pre-approve another set of vendors for future temporary staffing services in FY 2016. The results of this process and staff recommendation will be brought to City Council for approval.

COUNCIL POLICY CONSIDERATION:

The proposed contract supports the Department of Information Technology's mission of providing proven state-of-the-practice technologies in the most strategic, cost effective and efficient ways in line with the projects and initiatives outlined in the IT Strategic Plan.

ENVIRONMENTAL ANALYSIS:

This contract is exempt from CEQA per section 15061(b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action will not result in any new development or physical changes.

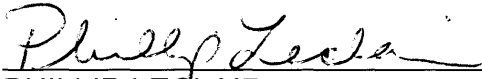
FISCAL IMPACT:

This action will increase Purchase Order #58357 with NTT Data, Inc. by \$600,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the adopted operating budget through personnel savings via staff vacancies, capital improvement projects 71206, E-Government, 71149, Enterprise Resource Planning System, 71151, Enterprise Content Management System, and 71152, Land Management and Permitting System, and Water and Power funds. It is anticipated that \$378,242 of the cost will be spent during the current fiscal year. The remainder of the costs will be spent in the next fiscal year. Indirect and support costs such as administration of the contract will be minimal, and addressed by the utilization of existing budgeted appropriations as well.

The following table presents a summary of the sources of funds that will be used.

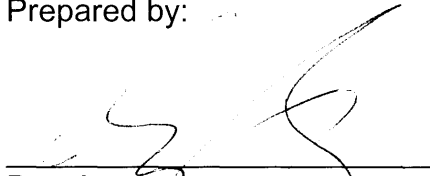
Source	FY 2015	FY 2016
Computing and Communications Fund 501	\$ 49,579	\$ 23,728
Project Management Fund – Various Projects	\$320,347	\$187,950
Water & Power Funds	\$ 8,316	\$ 10,080
Total Sources	\$378,242	\$221,758

Respectfully submitted,



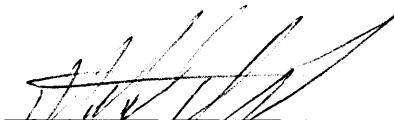
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