

Agenda Report

October 19, 2015

TO: Honorable Mayor and City Council
FROM: Department of Information Technology
SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT 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);
2. Authorize the issuance of a purchase order contract with NTT Data, Inc. for IT temporary staffing services in an amount not to exceed \$1,000,000 for a one-year period commencing the date the contract is fully executed with two optional one-year extensions for an amount not-to-exceed of \$1,000,000 each, subject to approval by the City Manager without further Council consideration. Competitive bidding is not required pursuant to City Charter Article X Section 1002(F), Contracts for professional or unique services; and
3. Authorize the placement of the next six highest ranked staffing firms, Sierra Cybernetics, Inc., SuperbTech, Inc., Commercial Programming Systems, Inc., Superior Talent Resources, Inc., Ardent Technologies, Inc., and Jada Systems, Inc. on a pre-approved vendor list to provide as-needed IT temporary services for the same initial one-year period as NTT Data, Inc. with the option to renew for up to two additional one-year periods. In the event a contract to any one of these pre-approved vendors exceeds \$74,999, staff will return to Council for authorization.

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. These include needs for major projects such as the Enterprise Resource Planning (ERP) System project, Enterprise Content Management System (ECMS) project, and the Land Management System (LMS) project, where a contract was recently awarded and approved by City Council on July 27, 2015. Also, at any time throughout the year, DoIT has experienced anywhere from two to five 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.

In an effort to meet these various needs, back in October 2012, in response to a Request for Proposals (RFP) to provide IT Temporary Staffing Services, 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 both been exercised. Additionally, the next five highest ranked firms 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 the five pre-approved vendors exceeded \$74,999. Pursuant to that, on March 18, 2013 and May 18, 2015, Council authorized an increase to the annual purchase order contract with NTT Data, Inc. to \$400,000, and \$1,000,000, respectively, based on the volume and length of assignments engaged with candidates from that firm. For FY 2015, it is estimated that a little over \$1.15 million was spent on temporary staffing resources representing approximately 20,700 hours with an average billable hourly rate of almost \$56. Drawing a cost comparison to City titled positions is difficult because some vacancies are backfilled with lesser skilled staff in the \$25 per hour range, while others are augmenting project staff in higher, more senior positions with specialized skills at \$85 per hour and above where like City positions do not exist at those levels. The bulk of the temporary resources for the FY2015 fiscal year supported the configuration, rollout and staff backfill in support of the Enterprise Resource Planning (ERP) project. The current trend of spending is anticipated to continue for at least another year based on the projects currently in progress, and backfill needs due to staffing vacancies that typically occur throughout the year.

Due to the fact that the final renewal period has been exercised and to ensure operational and project staffing needs are met throughout the year, on June 24, 2015, a Request for Proposals (RFP) for IT Temporary Staffing Services was posted online through Planet Bids. Proposers were required to provide information on their firm's qualifications, experience and references, representative costs, including mark-up rates, and sample resumes for up to 12 IT positions. In response to the RFP, thirty-five proposals were received on July 22, 2015, two of which are local Pasadena businesses.

Based on the evaluation procedures and six criteria categories in the RFP, which included qualifications, experience and references, percentage mark-up for firm recruited staff, representative costs for a benchmark set of twelve technical positions, acceptance of standard purchase order terms and conditions, local Pasadena business preference, and State of California small/micro-business preference, the firms were scored and ranked as follows:

Rank	Firm	City	Points	Rank	Firm	City	Points
1	NTT DATA , Inc	Plano, TX	81	14	Solomons International	Harleysville, PA	73
2	Sierra Cybernetics, Inc.	Anaheim Hills	80	20	22nd Century Technologies, Inc	Somerset, NJ	72
3	SuperbTech, Inc.	Culver City	79	20	Exclusive Network Enterprises	Greenville, TX	72
4	Commercial Programming Systems, Inc	Studio City	78	22	IMPEX TECHNOLOGIES, INC	El Segundo	71
5	Superior Talent Resources, Inc.	Williamsville, NY	77	23	P. Murphy & Associates, Inc.	Fremont	70
6	Ardent Technologies Inc	Dayton, OH	76	24	VDart, Incorporated	Alpharetta, GA	69
6	Jada Systems, Inc.	Pasadena	76	25	innoSoul, Inc.	Albany, NY	68
8	Agilis Group, Inc.	San Diego	75	25	MetaVista Consulting Group	Sacramento	68
8	GTC Systems Inc.	Escondido	75	25	R L Enterprise Consulting	Las Vegas, NV	68
9	Analysts International Corp (AIC)	Minneapolis, MN	74	28	Crescens Inc	Piscataway, NJ	67
9	Intratek Computer Inc	Irvine	74	29	3Core Systems, Inc.	Warrenville, IL	66
9	MODIS	Jacksonville, FL	74	29	Amtec Human Capital	Chino Hills	66
9	RADgov, Inc.	Ft. Lauderdale, FL	74	29	Beacon Hill Technologies	Boston, MA	66
14	Apex Systems	Glen Allen, VA	73	29	Celer Systems, Inc.	Folsom	66
14	Axxera Inc	Irvine	73	33	Management Applications, Inc.	Dulles, VA	65
14	IntelliBridge Partners	Sacramento	73	34	KRE Consulting, LLC	Pasadena	61
14	ITH Staffing	Ontario	73	35	A-1 Technology Inc	New York, NY	60
14	SA Technologies Inc	Santa Clara	73				

Based on the scoring above, staff is recommending issuance of a purchase order contract to NTT Data, Inc. for an amount not to exceed \$1,000,000 for a one-year period commencing the date the contract is fully executed with two optional one-year extensions for an amount not to exceed \$1,000,000 each. The option to renew for up to two additional one-year periods will allow staff to continue to evaluate the effectiveness of this firm, as well as the pricing, terms and conditions, to determine an appropriate course of action in the best interests of the City. This contract will be funded through personnel savings for as needed staff back-fill due to staffing vacancies or from existing capital improvement projects where funding is available, potentially including large enterprise projects like the Enterprise Resource Planning (ERP) System, Enterprise Content Management System (ECMS), and the Land Management System (LMS), as well as Water & Power projects where citywide technology needs are involved. Throughout the term of this contract, if a continued operational need is identified, then staff will evaluate use of existing vacancies, if available, or seek additional positions through the annual budget process to meet that need with a permanent solution, rather than through ongoing temporary personnel.

In addition, the next six highest ranked firms, Sierra Cybernetics, Inc., SuperbTech, Inc., Commercial Programming Systems, Inc., Superior Talent Resources, Inc., Ardent Technologies, Inc., and Jada Systems, Inc. will be placed on a pre-approved vendor list

to provide as-needed IT temporary services for the same initial one-year period with the option to renew for up to two additional one-year periods. In the event a contract to any one of these pre-approved vendors exceeds \$74,999, staff will return to Council for authorization.

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.

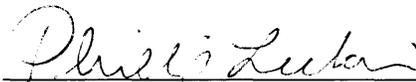
FISCAL IMPACT:

The maximum cost of this action will be \$3,000,000 over three years if the contract is renewed for the two additional one-year periods. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the annually adopted operating and capital budgets. Since this contract will be on a project or as needed basis, funding will come from personnel savings due to staffing vacancies or from existing capital improvement projects where funding is available, including Water & Power projects where citywide technology needs are involved. Indirect and support costs such as administration of the contracts will be minimal, and addressed by the utilization of existing budgeted appropriations as well. No additional budget appropriations are, or will be requested, as a result of this action.

The following table presents a summary of the sources of funds that are anticipated to be used for FY2016.

Computing and Communications Fund 501	\$ 250,000
Project Management Fund 301	\$ 750,000
Total Sources (not to exceed annually)	\$1,000,000

Respectfully submitted,



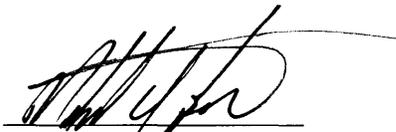
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