



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 6

Agenda Date: February 22, 2024

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Amendment to Customer Relationship Management System Agreement

SUMMARY:

This ordinance authorizing an amendment to the agreement between Verint Americas, Inc. and the City of San Antonio (City) for software licenses and associated implementation and migration services to upgrade and migrate the City's Customer Relationship Management (CRM) system to a hybrid Software as a Services (SaaS) model for a total cost of \$3,870,630.73. Funding for migration, implementation services, and year one license subscription in the amount of \$939,270.60 is funded from Tax Notes and included in the FY2024 – FY2029 Capital Improvement Program, and funding for software license subscription after implementation from the Information Technology Services Fund.

BACKGROUND INFORMATION:

The City of San Antonio's 311 Customer Service Office supports all City departments by handling informational calls and processing service requests for Animal Care Services, Development Services/Code Enforcement, Metro Health, Parks and Recreation, Solid Waste Management, and Public Works. In FY 2023, the 311 Call Center processed 1,035,889 service requests across all channels (311 agents, virtual agent, web self service, and 311SA mobile app).

A Request for Competitive Sealed Proposal (RFCSP) was issued for an Enterprise CRM solution and implementation services on July 17, 2009 and pursuant to Ordinance No. 2010-04-01-0273, the City entered into a contract with Verint Americas, Inc., formerly Lagan Technologies, Inc., to provide the City with a Customer Relationship Management (CRM) solution which included software maintenance and support.

The CRM system was implemented in October 2011. With the implementation of the CRM system, the City improved communications between departments and the 311 Customer Service Office, data tracking and reporting, customer service and overall service delivery. The CRM system continues to be utilized by the 311 Call Center, City Council offices, as well as some of the City departments and maintains customer data for residents who have called the City requesting services and have provided their information. The system, however, is in need of an upgrade to allow the City to further improve access to information regarding service requests. Previous amendments to this contract were approved for additional licenses, system functionality enhancements, software upgrades and for the addition of the mobile application feature. This amendment is necessary to upgrade the Verint Service Request Management system (Case Manager Pro, or CM-Pro) used by the 311 Customer Service Office to the latest version and migrate it to Verint's SaaS cloud. The current version of the software used by the City will not be supported beyond 2025.

Pricing has been secured for an initial 5-year period, with committed pricing for three additional, one-year terms. The City expects a service credit for prepaid maintenance and support to the existing environment in the amount of \$221,731.17 within 30 days of the effective date of the amendment. Funds will be credited to the Information Technology Services Department Operating Fund.

ISSUE:

Approval of this ordinance authorizes the fifth amendment to the agreement between Verint Americas, Inc. and the City for licensing and associated implementation and migration services to upgrade and migrate the City's Customer Relationship Management (CRM) system to a hybridized SaaS model for a total cost of \$3,870,630.73. City Council approved the initial agreement in April 2010 and also authorized the contract with Lagan Technologies Inc. (subsequently purchased by Verint Americas, Inc.) for the implementation of the current CRM system which included annual software maintenance and support annually thereafter, unless cancelled. Previous amendments have been approved for this contract to include additional licenses, system functionality enhancements, software upgrades and for the addition of the mobile application feature.

The Local Preference Program does not apply to this contract since it was solicited prior to the effective date of the program.

The Veteran-Owned Small Business Preference Program does not apply to this contract since it was solicited prior to the effective date of the program.

ALTERNATIVES:

Approval of this amendment to the existing contract will allow the City to leverage the existing CRM system and achieve technology enhancements and efficiencies through a technology upgrade. Should this amendment not be approved, the City would be at risk of losing support to the current system in 2025; this would impact the customer service experience for City residents regarding their requests for City services.

FISCAL IMPACT:

This ordinance authorizing an amendment to the agreement between Verint Americas, Inc. and the City of San Antonio (City) for software licenses and associated implementation and migration services to upgrade and migrate the City's Customer Relationship Management (CRM) system to a hybrid Software as a Services (SaaS) model for a total cost of \$3,870,630.73. Funding for migration, implementation services, and year one license subscription in the amount of \$939,270.60 is funded from Tax Notes and included in the FY2024 – FY2029 Capital Improvement Program. Funding for software license subscription after implementation from the Information Technology Services Fund and is contingent upon City Council approval of the annual budget and funds.

The City expects a service credit for prepaid maintenance and support to the existing environment in the amount of \$221,731.17 within 30 days of the effective date of the amendment. Funds will be credited to the Information Technology Services Department Operating Fund.

RECOMMENDATION:

Staff recommends approval of this contract amendment with Verint Americas, Inc. to upgrade and migrate the City's Customer Relationship Management (CRM) system to a hybrid SaaS model for a total cost of \$3,870,630.73.

This is an amendment to an existing contract and a Contracts Disclosure Form is not required.