



## Request for City Council Committee Action from the Information Technology Department

Date November 8, 2013

To: The Honorable Betsy Hodges, Chair, Ways and Means Committee

Subject: Execute three-year contract with KANA Software Inc. for support and maintenance of the City's 311 system.

Recommendation IT requests authorization for proper City officials to:

- a) Execute a new three-year contract with KANA Software Inc., for support, maintenance and hosting services for the 311 Lagan system, not to exceed a total of \$1,200,000 for three years;
- b) Include two one-year options to extend the contract.

Prepared by Elise Ebhardt, Interagency Coordinator, 673-2026

Submitted by Otto Doll \_\_\_\_\_, 673-3633  
Chief Information Officer

Approved by Paul Aasen \_\_\_\_\_  
City Coordinator

Presenter in Committee Otto Doll

Policy Review Group   X   Not Applicable

Permanent Review Committee (PRC)   X   Approved May 2, 2013

### Prior Directives:

- December 15, 2003: Authorized issuance of a Request for Proposal (RFP) seeking professional services to implement a Citizen Relationship Management/Work Order Management System to improve methods to reach and respond to citizens.
- March 15, 2004: Approved negotiating and executing a contract with Motorola as the preferred vendor for the City Relationship Management/Work Order Management (CRM-WOM) System solution for the City
- April 29, 2005: (1) Approval to terminate existing contract with Motorola that includes a six month transition period. (2) Approval to negotiate and execute a contract with Unisys/Lagan Technologies to provide Citizen Relationship Management System (CRM) solution to support the City's 311 Program.

Financial Impact: None. No additional appropriation required.

**Financial Impact** (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to department's finance contact prior to the Committee Coordinator

**Background/Supporting Information**

The City first implemented the 311 Lagan application in 2005 and executed a six-year contract (C-24950) for maintenance and support with Lagan Technologies. The total contract value of C-24950 is \$746,250. Since that time, Lagan Technologies has been acquired by KANA Software, Inc.

The Lagan application is currently two versions behind. IT and 311 staff have reviewed the business needs and solution options and recommend that the City continues to use KANA Software Inc. to provide maintenance and support for the 311 Lagan system, and that we replace the existing Unisys hosted services with those provided by KANA Software, Inc. By moving to KANA's hosted services, the City will save approximately \$400,000 in upgrade costs and reduce overall system licensing costs.

The Permanent Review Committee approved the request to continue to contract with KANA Software Inc. on May 2, 2013. Staff from IT, 311 and the City Attorney's Office have worked on the contract terms, scope, and pricing and are prepared to execute the new contract upon approval from the City Council. Services in the KANA Software contract will include:

1. Support and maintenance of the Lagan application;
2. Open311 subscription and services for mobile application capabilities;
3. Upgrade the Lagan application and establish the hosting environment, data migration, and interfaces including the integration with the Intelligent Operations Platform;
4. Implementation services, project management, testing and quality assurance;
5. Hosting services for the system environment;
6. Managed services of the Lagan application.

Additional benefits of KANA's hosted solution include increased disaster recovery services, increased flexibility for system upgrades, and the opportunity to add new capabilities and system features directly from the vendor.

**Request for Approval**

IT requests authorization for proper City officials to:

- a) Execute a new three-year contract with KANA Software Inc., for support, maintenance and hosting services for the 311 Lagan system, not to exceed a total of \$1,200,000 for three years;
- b) Include two one-year options to extend the contract.

Funding for the contract is included in approved Capital funding (CLIC) and the existing 311 operating budget. No additional appropriation is required.