



Office of the City Manager

CONSENT CALENDAR

March 30, 2021

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. 107364-1 Amendment: Verint Systems Inc. for Customer Relationship Management (CRM) Software Maintenance

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend Contract No. 107364-1 with Verint Systems, Inc. for CRM software licensing, maintenance, and support, increasing the amount by \$68,440 for a total contract amount not-to-exceed \$1,054,187 from March 23, 2007 through June 30, 2023.

FISCAL IMPACTS OF RECOMMENDATION

Funding for the additional support and software maintenance in the amount of \$68,440 is available in the Department of Information Technology's Fiscal Year (FY) 2022 and 2023 Information Technology Cost Allocation Fund. Spending for this amendment in future fiscal years is subject to Council approval of the proposed citywide budget and annual appropriation ordinances.

FY 2022: Software Maintenance
 \$33,063 Budget Code: 680-35-364-000-0000-000-472-632130
 (IT Cost Allocation Fund, Information Technology, Software Maintenance)

FY 2023: Software Maintenance
 \$35,377 Budget Code: 680-35-364-000-0000-000-472-632130
 (IT Cost Allocation Fund, Information Technology, Software Maintenance)

\$68,440 Total FY 2022 and 2023 Software Maintenance

CURRENT SITUATION AND ITS EFFECTS

The City currently uses Verint's CRM software, Lagan, to support 311 Customer Service in the 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 by community members, and staff 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. After a unique identifier is assigned to a case, community members can call 311 for updates.

Staff will release an RFP for a replacement CRM software in Fiscal Year 2023. The project as delayed due to proposed budget reductions due to COVID. This timeline aligns with the launch of the City's new work order and zero waste billing systems.

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, April 2016 and April 2017 the contract was amended to provide software maintenance and City-wide training through June 2019.

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. The immense multi-version upgrade to V14.R2 was completed in December 2018. Added functionality includes ability to reclassify cases greatly improving allocation and reporting of online service center cases and cases assigned to other service departments. Lagan V14.R2 system allows for addition of notes and photos to closed cases without reopening them, and backdating case creation and closure dates. The dating features and reassignment of cases enhances input of 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.

Lagan also changed their knowledge database product from Lagan to Kana Systems. Features and functionality include role base authoring and approvals with embedded workflow. An expanded taxonomy allows for greater article search capability, build out of FAQ's and enhanced indexing web based knowledge.

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. On an annual basis, staff use Lagan to log the following work activities: 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 two years 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. 107364-1 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 for the additional support and software maintenance in the amount of \$68,440 is available in the Department of Information Technology's Fiscal Year (FY) 2022 and 2023 Information Technology Cost Allocation Fund, and spending for this amendment in future fiscal years is subject to Council approval of the proposed citywide budget and annual appropriation ordinances.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to amend Contract No. 107364-1 with Verint Systems Inc. for software licensing, maintenance and support, increasing the amount by \$68,440 for a total contract value not-to-exceed \$1,054,187 from March 23, 2007 through June 30, 2023.