



COUNCIL AGENDA: 12-13-05

ITEM:

2.8

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: December 2, 2005

Approved

Kay Wm

Date

12/5/05

**SUBJECT: SOLE SOURCE PURCHASE OF TELESTAFF SOFTWARE FOR THE
POLICE DEPARTMENT**

RECOMMENDATION

Adoption of a resolution authorizing the Director of Finance to:

1. Execute a Software License and Support Agreement with Principle Decision Systems International ("PDSI") located in Orange, California for sole source purchase of expanded licensing in the amount of \$190,621 including sales tax, implementation services, training and first year maintenance; and
2. Purchase subsequent annual maintenance and support without further Council action other than the appropriation of funds.

BACKGROUND

The Police Department ("PD") manages daily schedules of over 1,000 Police Officers to provide adequate 24x7 public safety staffing. Scheduling the various staffing needs (shift bidding, vacation, time off, sick leave, disabilities, training and temporary assignments) for such a large force is very complex. Currently, PD utilizes a scheduling program that was developed in-house in 1999 after the previous scheduling program became obsolete and unusable. Although the current program has performed well for the past 6 years, it has become increasingly unstable, unreliable and problematic; failing numerous times at critical junctures. In addition, there are different scheduling and timesheet methodologies within PD that need to be consolidated into a single system and the system requires integration to the City's PeopleSoft payroll system. The Fire Department has been using Telestaff scheduling software since 1998 and has been very satisfied with the product.

ANALYSIS

In accordance with Municipal Code 4.12.149, the Director of Finance approved the Sole Source Procurement (see attached) based on significant cost savings due to staff's familiarity with the software and the existing integration with the City's PeopleSoft payroll system.

To ensure competitive pricing, Purchasing benchmarked Telestaff pricing with other local government entities (i.e., San Diego, Torrance, Tulsa). Final negotiated price per license is \$85 compared to \$100-\$140 paid by other municipalities. The upgrade pricing per license has been aggressively negotiated by reducing the offered cost per license by 15% from \$100 to \$85. The annual maintenance is at the same rate that Fire Department paid 7 years ago (9% of offered license cost). Below is the price breakdown:

Component	Police Upgrade
TELESTAFF Software License for 1650 Additional Staff (Police)	\$ 140,250
TELESTAFF Implementation Services. Includes: - Configuration Services - Training (9 Days @ \$1200/day) - Initial Annual Support	\$ 36,000
Sybase Software for 24 Concurrent Network Connections	\$ 2,800
Subtotal	\$ 179,050
Tax	\$ 11,571
Total	\$ 190,621
Annual Support Renewal (after initial year with a maximum 3% increase for subsequent annual maintenance)	\$ 14,850

OUTCOME

The Telestaff Software licensing for the Police Department will help automate and manage PD's complex staffing requirements to ensure equitable and fair shift, vacation, and overtime scheduling.

PUBLIC OUTREACH

Not applicable.

COORDINATION

This memorandum has been coordinated with Police, Information Technology, City Attorney's Office, and City Manager's Budget Office.

COST IMPLICATIONS

This council item is consistent with General Principle #2, "We must focus on protecting our vital core city services", and Item #7 "We must continue to Streamline, innovate, and simplify our operations... so that we can deliver services at a higher quality level, with better flexibility, at a lower cost."

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	Amount of Contract	2005-2006 Adopted Operating Budget (Page)	Last Budget Action (Date, Ord. No.)
414	3337	SLES Grant 2004-06	\$1,279,609	\$190,621	XI-78	10/18/2005, Ord. No. 27580

CEQA

Not a project.



SCOTT P. JOHNSON
Director of Finance



Memorandum

TO: Scott P. Johnson

FROM: Walter C. Rossmann, C.P.M.

**SUBJECT: Sole Source Procurement of
Telestaff Software Licensing**

DATE: December 2, 2005

Approved



Date

12/1/05

BACKGROUND

The Police Department ("PD") manages daily schedules of over 1,000 Police Officers to provide adequate 24x7 public safety staffing. Scheduling the various staffing needs (shift bidding, vacation, time off, sick leave, disabilities, training and temporary assignments) for such a large force is very complex. Currently, PD utilizes a scheduling program that was developed in-house in 1999 after the previous scheduling program became obsolete and unusable. Although the current program has performed well for the past 6 years, it has become increasingly unstable, unreliable and problematic; failing numerous times at critical junctures. In addition, there are different scheduling and timesheet methodologies within PD that need to be consolidated into a single system and the system requires integration to the City's PeopleSoft payroll system.

To address these operational issues, PD seeks an application which includes the following functionalities:

- Provides computer, telephone, and Internet access to employees' calendars
- Incorporates Department policies and procedures to ensure implementation of fair and consistent staffing practices
- Manages the dynamic daily rosters of police personnel
- Generates detailed staffing and usage reports
- Immediately identifies daily vacancies and automatically identifies and notifies appropriate replacement personnel
- Provides for automated notification to staff in the event of an emergency
- Allows for detailed audit trail for all activity
- Reports payroll activity through an interface into the City's PeopleSoft payroll system

At this time, PD urgently requires a replacement commercial off-the-shelf scheduling solution to unify its scheduling software department-wide and insure that it can be effectively maintained and upgraded.

ANALYSIS

Police conducted research of scheduling solutions and did not find software that met all specified requirements except for Telestaff scheduling software, which is currently deployed at the Fire Department. The Fire Department has been using Telestaff scheduling software since 1998 and has been very satisfied with the product.

Purchasing conducted an independent sourcing analysis of other Public Safety scheduling software solutions. While there are other brands of scheduling software, they are all computer or web enabled and do not provide the telephony capability required. Telestaff is the only scheduling solution that provides the required telephony capability that allows staff to use the telephone to access their schedule by phone to make changes and automatically notifies staff by telephone of schedule changes and emergency recall notification. In addition to addressing the operational requirements for the Police Department, expanding the existing software licensing with Telestaff provides the following benefits:

- Utilizes existing Telestaff interface to City's PeopleSoft Payroll system which avoids integration cost estimated at \$150,000 based on experience and minimizes risk associated with any new software interface.
- Provides efficient internal IT support (versus supporting two entirely different systems). Information Technology has endorsed the inherent efficiencies of supporting existing system.
- Provides efficient vendor support/management and contracting (same contract terms and conditions).
- Supports Police specific labor rules and configuration to ensure fair and equitable scheduling.

To ensure competitive pricing, Purchasing benchmarked Telestaff pricing with other local government entities (i.e., San Diego, Torrance, Tulsa). Final negotiated price per license is \$85 compared to \$100-\$140 paid by other municipalities. The upgrade pricing per license has been aggressively negotiated by reducing the offered cost per license by 15% from \$100 to \$85. The annual maintenance is at the same rate that Fire Department paid 7 years ago (9% of offered license cost). Below is the price breakdown:

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DETERMINATION

Pursuant to San Jose Municipal Code section 4.12.149.B.5, Purchasing has determined that the purchase of additional Telestaff licenses for use by the Police Department achieves significant cost savings compared to the purchase of another scheduling software solution. The expected cost savings would be achieved through efficient maintenance of the application by IT staff and the avoidance of building an interface with the City's PeopleSoft Payroll system as discussed above. In addition, since Telestaff is the only scheduling solution that provides the required telephony capability, a brand name purchase of this software is also justified under Section 4.12.149.B.3, in order to obtain a necessary item that is available only from one source.

SCOTT P. JOHNSON

December 2, 2005

Subject: Sole Source Procurement of PDSI Software License & Maintenance

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For these reasons, the purchase of Telestaff software as a brand name purchase meets the requirements of Section 4.12.149. This decision is valid for the proposed purchase only as well as future maintenance renewals for the same product for the same users.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, is enclosed within a hand-drawn oval. The signature is positioned above the printed name and title.

WALTER C. ROSSMANN, C.P.M.
Chief Purchasing Officer