

**City of Culver City, California
Agenda Item Report**

Meeting Date: 05/26/15		Item Number: <u>C-3</u>	
CITY COUNCIL AGENDA ITEM: Approval of a Contract with SADA Systems for Professional Services in the Planning and Migration of the City's E-Mail System to Microsoft Office 365 Cloud Based E-Mail and Application Suite in an Amount Not-to-Exceed \$65,060.			
Contact Person/Dept.: David Leuck		Phone Number: (310) 253-5950	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Meetings and Agendas – City Council (05/21/15), SADA Systems. (Rigil Mathew: 05/14/2015)			
Department Approval: Michele Williams (05/14/15)		City Attorney Approval: Carol Schwab (by H. Baker) (05/19/15)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (05/20/15)		City Manager Approval: John M. Nachbar (05/21/15)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve a professional services agreement with SADA Systems, to facilitate the planning and migration of e-mail to the Microsoft Government Cloud using Office 365, in an amount not-to-exceed \$65,060. <u>BACKGROUND:</u> The City has been using e-mail since the mid-1990s first with products from Novell and later using Microsoft Exchange in most of its versions through 2010. From the early days of dial-up to now, the pace of e-mail adoption within the City has advanced with each new capability of the system. As with many other private and public entities (and individuals as well), the City communicates by e-mail probably more than by phone now. As a communication medium, e-mail is excellent in bringing people together and sharing information. However it is very poor as a record keeping medium since information is contained on one person's account (the recipient) and arrives mixed with every other type of useful and many transitory messages. They are subject to account limits on the size of their mailboxes, and a few extremely large messages can shut down the ability of a mailbox to send or receive any messages. Early e-mail was text only. Present e-mail can allow extensive embedding of documents, photos/maps, and mini-applications activated by the recipient. Microsoft			

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has been a front runner in the e-mail sphere providing Exchange and the Hotmail platform which has evolved into Outlook.com and the companion offerings in the cloud of Software as a Service and Infrastructure as a Service.

Adoption of Cloud based e-mail for government, medium, and larger businesses has been slow until recently. Inexpensive high capacity Internet bandwidth has been a limiting factor. Historically government in particular has not adopted Cloud based e-mail due to concerns over security and privacy.

Recent developments in high capacity internet services at affordable prices and certifications by the California and Federal Departments of Justice of security and privacy standards have cleared these hurdles and allowed much more widespread adoption.

DISCUSSION:

E-Mail has become one of the most important methods of communication between staff, outside agencies, and members of the public. As a 24 hour 7 days a week method of communicating with City Staff and officials and for staff to communicate with stakeholders it has become an indispensable tool. Modern e-mail systems allow access to messages from PCs, phones, and mobile devices. The ability to attach files and photos to messages and distribute them to groups of people is a preferred method of disseminating information. E-mail has largely replaced the meetings and presentations of the past where such information would be given out and discussed.

E-mail has also become the object of litigation discovered by both sides of a dispute when trying to get at the facts of a situation. This has led to a new awareness of the pitfalls of allowing individuals to manage their own e-mail without any tools to monitor mail use and messages entity-wide in case litigation takes place. These tools are popularly called "eDiscovery".

Presently the City does not have an eDiscovery tool which allows the search, retrieval, and preservation of e-mail. The court system and State Legislature are beginning to mandate hold and preservation requirements and limits. The City is at the point where it is advisable and needed to have this type of tool and the skills and storage space necessary to support it.

Over the last year and a half, the Information Technology Department has evaluated the present e-mail system, options for eDiscovery, and the evolving needs of the Staff and community. Several items have come to drive the discussion:

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- Need for more space for conducting communications with stakeholders. Resources have been regularly increased over time to support increasing need but the pace is accelerating.
- Need for storage of non-mail documents and photos/maps.
- The need for eDiscovery and litigation hold tools that can be put in place and managed by the City Attorney's Office.
- Requests to make the e-mail system more accessible beyond the City Hall infrastructure including disaster preparedness considerations if City Hall is damaged.

The City sought Requests for Proposals (RFPs) for a cloud based e-mail system and supporting tools including eDiscovery. As a result of the process the City received back a variety of proposals. Upon evaluation none were deemed to be a good fit at the time and no award took place.

In the fall of 2014 the City's Microsoft Enterprise Agreement came up for renewal. This agreement had the City's desktop Office productivity suite as part of it along with the licenses for Exchange. Microsoft was aware of the City's interest in Cloud based e-mail and productivity application RFP. They extended an option to migrate our existing licenses, at a discount, into the Microsoft Office 365 license area. Microsoft provided documentation that Office 365 Government licenses are compliant with both State of California and Federal Government Justice Department regulations on security management of data. Office 365 and Google Apps had been top contenders in the RFP process. This made a transition out of the old license to the Office 365 license scheme a desirable choice. The option was presented to the City Council and approved as part of the new contract.

SADA Systems had supplied a proposal for Google Apps for the RFP which impressed staff in its thoroughness and attention to detail. However, it was the only proposal for Google, and Google had not been determined to be a fit for the City's environment and plans. When the City elected to move to Office 365 licensing, SADA contacted the City. They supplied a proposal for Office 365 since their Microsoft group was no longer bound by a non-compete rule in force while Google was being considered. The City met with SADA, and a proposal to provide consulting and planning services was developed and reviewed by staff.

If the proposed agreement is approved by the City Council, SADA will provide planning and transition consulting work to the City as it moves from the on premise Exchange to the Office 365 Cloud platform. SADA has extensive experience in this consulting for both business and government agencies in California including the Los Angeles Unified School District (LAUSD) and Los Angeles Community College District (LACCD). It is certified by Microsoft and has engineering and consulting divisions

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beyond Office 365 that the City can call upon if something critical, but out of scope, appears during the planning stages.

Pursuant to Culver City Municipal Code Section 3.07.085.A, professional services do not require competitive bidding provided the purchase order or contract shall be based upon competitive quotations, whenever practical, as determined by the City Manager. The City Manager has determined that obtaining competitive quotations is not practical given the circumstances of this particular purchase.

FISCAL ANALYSIS:

The proposal is for \$56,260. In addition the IT Department is requesting \$8,800 as a training contingency fund for the project to be used for onsite or webinar based training for staff and administrators. The total requested is \$65,060.

This contract will be funded from the E-Discovery Capital Improvement Project (CIP) Account - 30980000.732160.PZ944 which has sufficient funding to support this expenditure.

ATTACHMENTS:

None.

MOTION:

That the City Council:

1. Approve a professional services agreement with SADA Systems for consulting and transition services in an amount not-to-exceed \$65,060; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City.