



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...		GENERAL MANAGER ACTION REQ'D:	
DATE: 12/19/2022		1/18/2023		BOARD INITIATED ITEM: No	
Originator/Prepared by: Angie West Dept: CIO Administration		General Counsel		Controller/Treasurer	
DocuSigned by: <i>Angie West</i> B32313CF204147A...		DocuSigned by: <i>Jana Belan</i> F8FD7B3A73E74E8...		DocuSigned by: <i>Chris Gan</i> EE11C8CEEEA04FD...	
Signature/Date: 1/18/2023		1/18/2023 []		1/18/2023 []	
				District Secretary	
				BARC	
				DocuSigned by: <i>Pamela Herhold</i> 3BB24D65B8724F5...	
				1/18/2023 []	

Software License Renewal with Salesforce, Inc.

PURPOSE:

To obtain Board authorization for the General Manager to execute a Purchase Order to obtain licensing from Salesforce, Inc., for cloud-based Customer Relationship Management (CRM) and Digital Marketing Automation (DMA) software, in an amount not to exceed \$1,304,740.85 over four (4) years.

DISCUSSION:

BART's CRM and DMA platforms are provided by Salesforce, which specializes in integrated cloud-based applications to manage and report on customer feedback and conduct email and short message service (SMS) engagement with customers and stakeholders. Salesforce is the sole provider of its proprietary software and the required licenses, maintenance, and support. The CRM platform provides critical Customer Service case management capabilities, as well as reporting and data-driven insights for managers and executives throughout the District. The DMA platform provides targeted email and SMS message capability to more than 287,000 subscribers, driving District initiatives and informing the public about BART services in real time.

BART has made a significant investment to customize and enhance the CRM and DMA platforms with integrations, workflows, data entry screens, macros, and specialized reporting as required by Customer Services, Communications, Marketing, Procurement, and other departments. Salesforce is a market leader and was chosen because other providers do not have the feature set and integration capabilities the District requires. Award to another

software provider would result in a substantial duplication of cost in labor and contracted services to reimplement and retrain personnel on a new solution. Therefore, staff recommends that the District enter into a four-year agreement with Salesforce rather than substitute the software with other potential options, assuming a feature- and cost-competitive alternative to Salesforce could be found.

In FY18, the District procured Salesforce software licenses on a sole-source basis for a four-year term in the amount of \$1,246,293.67. In FY23, the procurement included 12 resellers, and Salesforce, Inc., provided the only response at \$1,304,740.85.

Pursuant to the District's Non-Federal Small Business Program, the Office of Civil Rights set a 5% Small Business Prime Preference for this Agreement for Small Businesses certified by the California Department of General Services (DGS). It was determined that there were no certified Small Businesses certified by the DGS among the responsive proposers and, therefore, the Small Business Prime Preference is not applicable.

Pursuant to the District's Non-Discrimination Program for Subcontracting, the Availability Percentages for this Agreement are 5.5% for Minority Business Enterprises (MBEs) and 2.8% for Women Business Enterprises (WBEs). Salesforce, Inc., will not be subcontracting any portion of the Work and therefore, the provisions of the District's Non-Discrimination Program for Subcontracting do not apply.

A Purchase Order that is acceptable to Procurement shall be reviewed for compliance with the District's procurement standards. The Office of General Counsel shall approve as to legal form prior to execution.

FISCAL IMPACT:

The subject EDD proposes a four (4) year contract term at a total cost not-to-exceed \$1,304,740.85 from April 1, 2023, through March 31, 2027. Funds are included in the Office of the Chief Information Officer (OCIO) FY23 operating budget (Department 0504464, Account 681355). Funding for FY 2024 through FY 2027 will be requested in future operating budgets of the OCIO, subject to Board approval. This action is not anticipated to have any Fiscal Impact on unprogrammed District reserves in the current Fiscal Year.

Funding Not to Exceed:	
Year 1	\$326,185.22
Year 2 (Option Year 1)	\$326,185.21
Year 3 (Option Year 2)	\$326,185.21
Year 4 (Option Year 3)	\$326,185.21

Total	\$1,304,740.85
<i>Funding begins annually on April 1.</i>	

ALTERNATIVES:

Do not authorize execution of this software licensing and suspend all activity enabled by Salesforce software. OCIO could also request additional budgetary resources to maintain current Salesforce services until another solution is procured, plus additional funding to scope, provision, test and deploy another solution, as well as retrain staff.

RECOMMENDATION:

Approve the following motion.

MOTION:

The General Manager is authorized to execute a Purchase Order to obtain a software subscription with Salesforce, Inc., for cloud-based Customer Resource Management (CRM) and Digital Marketing Automation (DMA) software licensing, in an amount not to exceed \$1,304,740.85 over four (4) years.