

Condensed Title:

Request For Approval To Issue A Request For Proposals (RFP) For Call Center Services.

Key Intended Outcome Supported:

Increase community satisfaction with City government; Enhance external and internal communications from and within the City; Maximize Efficient Delivery of Service; Improve process through information technology;

Supporting Data (Surveys, Environmental Scan, etc.): N/A

Issue:

Whether the Mayor and City Commission should approve the issuance of the RFP?

Item Summary/Recommendation:

The City of Miami Beach (the City) would like to solicit responses from qualified firms to provide Call Center services to various departments of the City of Miami Beach.

The Finance and Citywide Projects Committee, at their July 29, 2011 budget briefing for fiscal year 2011/12, was advised of the Administration's proposal to outsource utility billing and parking customer service calls. The Utility Billing Section is currently averaging 20,000 calls annually with a 10% abandoned rate, while the Parking Department is averaging 30,000 annual customer service calls with a 20% abandoned rate.

The City would also like to receive proposals for consideration of outsourcing the combined Business Tax, Certificate of Use, and Annual Fire Permit calls received by the Finance Department Revenue Division customer service team, and the Emergency Operation Center (EOC). Additionally, other City Departments may also consider call center usage when necessary.

It is anticipated that the successful proposer will negotiate with the City for a term contract with an initial term of three (3) years, with an option to renew for an additional two (2) one-year extensions at the Administration's sole discretion.

The City's objective is to purchase the service on a per minute basis. The proposers are also required to provide alternative methods of purchasing the services that will be incorporated into the contract and will be available to the City at its discretion.

THE ADMINISTRATION RECOMMENDS THE ISSUANCE OF THE RFP.

Advisory Board Recommendation:

Financial Information:

Source of Funds:		Amount	Account
	1	N/A	
OBPI	Total		

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Raul Aguila

Sign-Offs:

Department Director	Assistant City Manager	City Manager
RA _____	JGG _____ PDW _____	KGB _____

T:\AGENDA\2012\9-12-12\Call Center Services RFP - Summary.doc



COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Kathie G. Brooks, Interim City Manager

DATE: September 12, 2012

SUBJECT: **REQUEST FOR APPROVAL TO ISSUE A REQUEST FOR PROPOSALS (RFP)
FOR CALL CENTER SERVICES.**

ADMINISTRATION RECOMMENDATION

Approve Issuance of the RFP.

KEY INTENDED OUTCOMES SUPPORTED

- Increase community satisfaction with City government
- Enhance external and internal communications from and within the City
- Maximize Efficient Delivery of Service
- Improve process through information technology.
- Control costs of payroll including salary and fringes, minimize taxes, and ensure expenditure trends are sustainable over the long term.

BACKGROUND

The City of Miami Beach (the City) would like to solicit responses from qualified firms to provide Call Center services to various departments of the City of Miami Beach.

The Finance and Citywide Projects Committee, at their July 29, 2011 budget briefing for fiscal year 2011/12, was advised of the Administration's proposal to outsource utility billing and parking customer service calls. The Utility Billing Section is currently averaging 20,000 calls annually with a 10% abandoned rate, while the Parking Department is averaging 30,000 annual customer service calls with a 20% abandoned rate.

As a result of a reduction of six positions, or 42%, of customer service personnel over the past five (5) years, the Finance Department Revenue Division, which manages the Utility Billing function, has limited resources to handle the customer service counter, answer phone calls, respond to emails, and perform their daily accounting and financial functions. In an effort to provide excellent customer service to the residents and businesses of Miami Beach, the Administration is proposing to outsource customer service calls.

At an average of three (3) minutes per call, it would require the City of Miami Beach an equivalent of 2 full time employees to manage this volume of calls, which represents an approximate annual cost of \$140,000 in salary and benefits. It is estimated that the cost of outsourcing these call would be considerably less and would lead to more productive and effective employees in their respective areas of work.

Under the current environment, City of Miami Beach employees are managing 50,000 phone calls per year in addition to perform the duties of their full time job. When the phone rings, the employee must stop what he or she is doing and address the caller's questions. In many occasions, there is an after-call task related to the caller's inquiry to be addressed before the employee can resume the original task he or she was doing. These constant interruptions affect employee's effectiveness and productivity.

Presently, the City of Miami Beach is handling a combined 50,000 annual Parking and Utility Billing related calls. These calls are divided among 10 full time Finance employees. It is estimated that a substantial number of phone calls are never answered which results in an increase of traffic of dissatisfied residents to the City help desks due to an ineffective telephone answering system.

It is anticipated that the proposed outsourcing of phone calls will lead to more productive City employees by eliminating call responsibilities; reduce lines and traffic at our customer service counter; and, lead to more positive customer experiences.

The City would also like to receive proposals for consideration of outsourcing the combined Business Tax, Certificate of Use, and Annual Fire Permit calls received by the Finance Department Revenue Division customer service team. Additionally, the City would like to receive proposals for consideration of outsourcing the Emergency Operation Center (EOC).

Funding in the amount of \$37,500 is available from the Water and Sewer Enterprise Fund and additional \$37,500 is available from the Parking Enterprise Fund. The total budget for the outsourcing project is \$75,000 with no funds being utilized from the General Fund.

SCOPE OF SERVICES

The City wishes to hire a company that provides a fully equipped offsite call center to receive calls for the Finance, Parking, Emergency Operation Center (EOC) and other departments, as needed. This service should include all the necessary resources required to achieve a low abandonment rate.

It is anticipated that the successful proposer will negotiate with the City for a term contract with an initial term of three (3) years, with an option to renew for an additional two (2) one-year extensions at the Administration's sole discretion.

Finance Department

The proposer should possess the following capabilities:

1. Provide automatic call distribution with full reporting capabilities.
2. The Call Center needs to be able to handle calls as follows: The Utility Billing Section is currently averaging 20,000 calls annually, while the Parking Department is averaging 30,000 annual customer service calls.
3. High Percentage (minimum of 50%) of Bilingual (English and Spanish) operators.
4. Provide a knowledge base system to assist contractor's agent to provide proper and consistent response to inquiries.

5. Provide a seamless telephone interface.
6. Fully operational call center facility for at least five (5) years and preferably in the Miami area.
7. Provide the ability to remotely monitor the interaction between callers and agents.
8. Provide a customer agent assessment mechanism at the City's option.
9. Call Center to be able to access City Department software to be able to answer related questions such as, but not limited to, the following:
 - Typical questions for Utility Billing are for these subject matters:
 - Processing payment over the phone;
 - Concerns regarding a higher than average bill;
 - Balance inquiries;
 - Utility service has been disconnected or scheduled for disconnection;
 - Payment or payment plan to be processing;
 - Opening of a new account; and,
 - Closing of an existing account.
10. Provide information on transactions that can be done on the website.
11. Full reporting capabilities.
12. Web based resolution tracking system.
13. The call center contractor will be required to provide the necessary technology to meet American with Disabilities (ADA) requirements.
14. The call center contractor shall have a secure facility capable of withstanding Hurricane.

Emergency Operations Center

In the event that the City of Miami Beach Emergency Operations Center (EOC) is activated, the Call Center will perform the following tasks:

- Upon notice, the Call Center will handle the call handling for a weather incident ready within three (3) hours of notification
- The Call Center must have in place, the ability to have the phone service provider for the City of Miami transfer the phone number of the City as identified, both at the City switch level and if the switch is lost completely, the ability to transfer the number at the central office (AT&T) level – this will be a joint deliverable with the City and Call Center
- The Call Center must have adequate trunks to handle 120 calls per minute and be scalable on trunkage if more lines are required to handle incoming calls
- The Call Center will have adequate staffing available to handle English/Spanish (50% bilingual) and Haitian Creole calls; as needed staffing will be supplemented based on call volume; an auto attend/menu selection allowing callers to choose the language of their choice when speaking with an agent

- The Call Center will record all calls both voice and screen display and keep these files available (for 18 months) for review by the City
- The Call Center must have the capability to have event announcements placed before a caller enters a queue to provide emergency information or to inform residents of real-time relevant information
- The Call Center will place recording known as music on hold messages in the queue so when the callers are waiting for an agent they are hearing relevant information as provided by the city pre/during and post event
- The event announcements must be changed as request by the City and in place within 15 minutes of receipt – the City will provide these in three languages to the Call Center provider.
- The Call Center will report on an hourly basis the number of call answered, provide the top 10 list of inquiries and as directed by the City, have in place a service request process that logs incidents reported by residents in the City to include but not limited to flooding report, tree down in swale, tree down on private property, tree down on home, FPL electricity out, clogged drains, debris; each of these service requests must be GIS plotted and reported to the City on a hourly basis in a excel spreadsheet to include XY coordinates needs so the City EOC can map the service requests
- The Call Center will maintain and ,as needed, update the event knowledge base with information provided by the City
- An emergency process will be established that will have the management of the call center to contact designated City personnel of issues that management believes the City should immediately address if it is safe to travel the streets of the City.

Fiscal Component

The City's objective is to purchase the service on a per minute basis.

The proposers are also required to provide alternative methods of purchasing the services that will be incorporated into the contract and will be available to the City at its discretion. This may include purchasing blocks of hours or full time equivalent employees.

The City reserves the right to negotiate alternative service levels with the contractor during the term of the agreement.

Liquidated Damages

All of the provisions listed below will not apply during the first 90 days of the contract.

The call center provider will respond to 80% of the calls within 30 seconds; failure to meet this performance standard will result in 1% credit from the quoted rate. If the abandonment rate exceeds 5%, this will result in 1% credit from the quoted rate.

The contractor is expected to maintain an 80% customer satisfaction rate based on the internal tracking system to be developed by the contractor and monitored by the City. Failure to maintain the desired customer satisfaction rate will result in 2% reduction from the quoted rate, and if the contractor exceeds 90% customer satisfaction rate, this will result in a 2% increase over the quoted rate.

EVALUATION CRITERIA

The procedure for proposal evaluation and selection is as follows:

1. Request for Proposals issued.
2. Receipt of proposals.
3. Opening and listing of all proposals received.
4. An Evaluation Committee, appointed by the City Manager, shall meet to evaluate each proposal in accordance with the requirements of this RFP. If further information is desired, proposers may be requested to make additional written submissions or oral presentations to the Evaluation Committee.
5. The Evaluation Committee shall recommend to the City Manager the proposal or proposals acceptance of which the Evaluation Committee deems to be in the best interest of the City.

The Evaluation Committee shall base its recommendations on the following factors, for a total of 100 possible points:

1. Experience and qualifications of the proposer – 30 points.
2. Experience and qualifications of the agents assigned to provide services to the City – 10 points.
3. Methodology and Approach to include the demonstrated ability to achieve the City's objectives – 20 points.
4. Cost/Fees – 30 points.
5. Past Performance Surveys – 10 points.

LOCAL PREFERENCE: The Evaluation Committee will assign an additional five (5) points to Proposers, which are, or include as part of their proposal team, a Miami Beach-based vendor as defined in the City's Local Preference Ordinance.

VETERANS PREFERENCE: The Evaluation Committee will assign an additional five (5) points to Proposers, which are, or include as part of their proposal team, a small business concern owned and controlled by a veteran(s) or a service-disabled veteran business enterprise, as defined in the City's Veterans Preference Ordinance.

6. After considering the recommendation(s) of the Evaluation Committee, the City Manager shall recommend to the City Commission the proposal or proposals, acceptance of which the City Manager deems to be in the best interest of the City.
7. The City Commission shall consider the City Manager's recommendation(s) in light of the evaluation and recommendation(s) of the Evaluation Committee and, if appropriate, approve the City Manager's recommendation(s). The City Commission may reject City Manager's recommendation(s) and select another proposal or proposals.
8. In any case, City Commission shall select the proposal or proposals acceptance of which the City Commission deems to be in the best interest of the City. The City Commission may also reject all proposals.

9. Negotiations between the selected proposer and the City Manager take place to arrive at a contract. If the City Commission has so directed, the City Manager may proceed to negotiate a contract with a proposer other than the top-ranked proposer if the negotiations with the top-ranked proposer fail to produce a mutually acceptable contract within a reasonable period of time.
10. A proposed contract or contracts are presented to the City Commission for approval, modification and approval, or rejection.
11. If and when a contract or contracts acceptable to the respective parties is approved by the City Commission, the Mayor and City Clerk sign the contract(s) after the selected proposer(s) has (or have) done so.

Important Note:

By submitting a proposal, all proposers shall be deemed to understand and agree that no property interest or legal right of any kind shall be created at any point during the aforesaid evaluation/selection process until and unless a contract has been agreed to and signed by both parties.

CONCLUSION:

The Administration recommends the issuance of the RFP for Call Center Services.

T:\AGENDA\2012\9-12-12\Call Center Services RFP - Memo.doc

THIS PAGE INTENTIONALLY LEFT BLANK