

SAN DIEGO UNIFIED PORT DISTRICT

MEMORANDUM

Date: May 14, 2019

To: Board of Port Commissioners

From: Keith Coffey
CTO, Information Technology
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Subject: Single Source Justification: Carahsoft Technology Corporation for Salesforce Licensing

Salesforce.com is a software application development and delivery platform that is fully hosted and secured in the Cloud. Salesforce has the benefits of a proprietary platform, fully managed and meeting Federal security standards, while enjoying a vast developer community akin to an open source standard - a combination that has resulted in rapid and widespread adoption by government. Salesforce is recognized by the two top technology research firms, Gartner and Forrester, as a leader in the application platform industry.

The District wishes to implement Salesforce to address a number of business and technological gaps, chiefly Grants Management, Park Permitting, and Citizen Relationship Management.

The District has three options to purchase Salesforce licensing: 1) Purchase the licenses, ourselves, from Salesforce's exclusive master reseller and aggregator for the public sector, Carahsoft Technology Corporation, or 2) leverage a pre-competed or cooperative agreement, or 3) have the system integrator (or other third party) purchase licenses, on the District's behalf, from Salesforce.com directly.

Staff recommends buying the licenses from Salesforce's master aggregator for public sector because the advantages far outweigh the other options in the following ways:

- Removes an unnecessary intermediary (the Integrator) and allows the District to obtain the licenses in the District's name
- Avoids transferring licenses after the integrator has completed implementation
- Allows the District to negotiate on its own behalf for better pricing than would otherwise be allowed by relinquishing that leverage to a third party
- Carahsoft pricing for public sector offers preferable rates to that which could be obtained via other methods.

For these reasons, Staff recommends authorizing a single source Purchase Order, in accordance with Board of Commissioner's Policy No. 110 section II.H, with Carahsoft Technology Corporation for Salesforce enterprise application platform licensing.