



REPORT TO COUNCIL

City of Sacramento 5

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Consent Calendar
November 24, 2009

**Honorable Mayor and
Members of the City Council**

Title: Agreements: Fleet Management Work Order and Asset Management Software and Related Maintenance Support Services- Two-Thirds Vote Required

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) suspending competitive bidding in the best interests of the City; 2) authorizing the City Manager or the City Manager's designee to execute a Professional Services Agreement with AssetWorks, Inc. for the implementation of FleetFocus M5 software in an amount not to exceed \$201,189; 3) authorizing the City Manager or the City Manager's designee to enter into a software license agreement with AssetWorks, Inc. for the upgraded M5 software application in an amount not to exceed \$26,569; and 4) authorizing the City Manager or the City Manager's designee to execute a five-year agreement with AssetWorks, Inc. for FleetFocus M5 maintenance support services in an amount not to exceed \$143,348 for the five-year term, provided that sufficient funds are available in the budget adopted for the applicable fiscal years.

Contacts: Keith Leech, Fleet Manager, 808-5869; Sandra Haslin, Information Technology Manager, 808-7990

Presenters: Keith Leech and Sandra Haslin

Departments: General Services and Information Technology

Divisions: Fleet Operations & Operations Unit

Organization No: 13001311 & 07001111

Description/Analysis:

Issue: Fleet Management has used FleetFocus M4 (M4) for over ten years for work orders and asset management. FleetFocus M5 (M5) is the latest version of fleet management software provided by AssetWorks, Inc. During September 2008, AssetWorks, Inc. completed a study of the Fleet Management organization

to assess the potential benefits of an upgrade from M4 to M5. Based on the study, upgrading to M5 will provide Fleet Management with improved inventory accounting and tracking. This will in turn benefit Fleet Management and customer departments by enhancing accountability and transparency through better reporting tools, improving integration with the City's eCAPS financial system and with the recently installed global positioning system (GPS) software in City fleet vehicles. M5 requires an agreement for maintenance support services.

Policy Considerations: The recommendations in this report are consistent with City Code Section 3.56.

Committee/Commission Action: None

Environmental Considerations:

California Environmental Quality Act (CEQA): Approval of the agreements is not subject to any provisions of CEQA. The current proposal involves a continuing administrative activity. The proposal is not a 'project' in accordance with Section 15378 (b) (2) of CEQA guidelines. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Sustainability Considerations: Not applicable

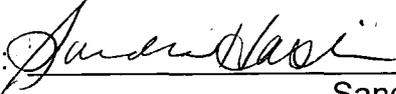
Rationale for Recommendation: Upgrading to M5 will provide Fleet Management with improved cost accounting and key performance indicator monitoring. This will in turn benefit Fleet Management and customer departments by improving transparency through better reporting tools, improving integration with the City's eCAPS financial system and with the recently installed global positioning system (GPS) software in City fleet vehicles. The improved reporting tools will help fleet customers manage their vehicles more cost effectively by providing the ability to access detailed work order and unit billing history information along with key performance measurement data.

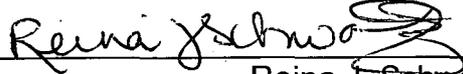
FleetFocus software is proprietary to AssetWorks, Inc. Suspending competitive bidding for this purchase is recommended because upgrading to M5 can only be done through AssetWorks, Inc. This purchase will allow Fleet Management to continue with the same software it has used for the past ten years. AssetWorks is an industry leader in the field of fleet management software. Although other fleet asset management systems are available, switching to a different system provided by another supplier would be cost prohibitive to the City. The largest expense would be for the data conversion into a totally new system, along with changing the current Fleet Management business processes, requiring extensive training and resulting in a loss of productivity of mechanic staff.

Financial Considerations: Sufficient funding is available in the Fleet Management Technology Upgrades capital improvement project (A13000200, Fund 6501) to execute the agreement with AssetWorks, Inc. for the implementation and purchase of M5 software and licensing in the amount of \$227,758. The ongoing maintenance support services, in the amount of \$143,348 over the five-year term, will be paid from the Fleet Management operating budget. Sufficient funding exists in the FY2009/10 operating budget to purchase maintenance support services through June 30, 2010. Purchases of these services after June 30, 2010 are subject to funding availability in the adopted budget of the applicable fiscal years.

Emerging Small Business Development (ESBD): AssetWorks, Inc. is not a City certified emerging/small business firm.

Respectfully submitted by: 
Keith Leech
Fleet Manager

Respectfully submitted by: 
Sandra Haslin
Information Technology Manager

Approved by: 
Reina J. Schwartz
Director, Department of General Services

Approved by: 
Cassandra Jennings
Assistant City Manager/Interim CIO

Recommendation Approved:


Cassandra H.B. Jones
Ray Kerridge
City Manager

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Attachment 1

BACKGROUND INFORMATION

The City has been using fleet management software from AssetWorks, Inc. and its predecessor for several years. As is the case with all software products, the software is periodically updated by its suppliers. AssetWorks has been working on refining the upgrade from M4 (a non-web based system) to the new web based system, M5. In their development of M5, they have incorporated many requests from customers based on business needs that are not currently available in the M4 version.

The City's fleet management customers have requested easier access to the system so that they can review work orders in detail to monitor their fleet costs and usage, have better replacement modeling tools, access to non-intervention fueling, and have a more reliable preventive maintenance forecaster. The new M5 web enabled version provides this information and more.

M5 has been available for upgrade for over four years. Fleet Management has delayed requesting implementation of M5 in order to confirm that this application is actually more reliable than M4. Fleet Management has surveyed other cities and counties that have upgraded to M5 and received positive feedback about the software from all.

RESOLUTION NO. 2009-XXXX

Adopted by the Sacramento City Council

SUSPENDING COMPETITIVE BIDDING AND AUTHORIZING AGREEMENTS FOR THE PURCHASE OF FLEET MANAGEMENT WORK ORDER AND ASSET MANAGEMENT SOFTWARE AND RELATED MAINTENANCE SUPPORT SERVICES

BACKGROUND

- A. Fleet Management has a need to upgrade its existing work order and asset management software in order to better serve its customers. Upgrading to FleetFocus M5 will provide Fleet Management with improved cost accounting and performance indicator monitoring. This will in turn benefit Fleet Management and customer departments by improving transparency and achieving efficiencies through better reporting tools, improving integration with the City's eCAPS financial system and with the recently installed global positioning system (GPS) software in City fleet vehicles.
- B. In accordance with City Code Section 3.56.230, the City Council may, by a two-thirds vote, suspend competitive bidding for any purchase or contract in the best interests of the City. Suspending competitive bidding and awarding a five-year contract to AssetWorks, Inc. is in the best interests of the City as AssetWorks, Inc. is the only provider for this type of upgrade to the City's fleet system. It is not possible to purchase this type of upgrade from any other vendor or supplier as it is a proprietary system.
- C. Sufficient funding is available in the Fleet Management Technology Upgrades capital improvement project (A13000200, Fund 6501) to execute the agreement with AssetWorks, Inc. for the implementation and purchase of M5 software and licensing in the amount of \$227,758. The ongoing maintenance support services, in the amount of \$143,348 over the five-year term, will be paid from the Fleet Management operating budget.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. It is in the best interests of the City to suspend competitive bidding, and competitive bidding is hereby suspended for the implementation and purchase of FleetFocus M5 software.

- Section 2. The City Manager or the City Manager's designee is authorized to execute a Professional Services Agreement with AssetWorks, Inc. in an amount not to exceed \$201,189 for the implementation of FleetFocus M5.
- Section 3. The City Manager or the City Manager's designee is authorized to enter into a software license agreement with AssetWorks, Inc. for the upgraded M5 software application in an amount not to exceed \$26,569.
- Section 4. The City Manager or the City Manager's designee is authorized to execute a five-year agreement with AssetWorks, Inc. for FleetFocus M5 maintenance support services in an amount not to exceed \$143,348 for the five-year term, provided that sufficient funds are available in the budget adopted for the applicable fiscal years.