

**Meeting Date:** 5/26/2015

**Report Type:** Consent

**Report ID:** 2015-00419

**Title: Contract Supplement No. 1: Fleet Software Maintenance Support Services (Two-Thirds Vote Required)**

**Location:** Citywide

**Recommendation:** Pass a Resolution 1) suspending competitive bidding in the best interests of the City for the purchase of M5 maintenance support services; and 2) authorizing the City Manager or the City Manager's designee to execute Contract Supplement No. 1 to Contract No. 2009-1089 with AssetWorks, Inc. for FleetFocus M5 maintenance support services for a period of two years through November 30, 2016, with three one-year renewal options (which may be executed by the City Manager or the City Manager's designee), in an amount not to exceed \$276,831, for a revised total contract amount not to exceed \$420,179 for the potential five-year term.

**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Steve Barker, Interim Fleet Manager, (916) 808-6289, Department of Public Works

**Presenter:** None

**Department:** Public Works Department

**Division:** Fleet Management

**Dept ID:** 13001211

**Attachments:**

1-Description/Analysis

2-Resolution

3-Contract Supplement No. 1

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**City Attorney Review**

Approved as to Form

Kourtney Burdick

5/18/2015 9:22:47 AM

**Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 5/6/2015 4:08:09 PM

## Description/Analysis

**Issue Detail:** The Department of Public Works (DPW), Fleet Management Division, has used the FleetFocus (M5) software for over 10 years for work orders and asset management. M5 requires an agreement for annual maintenance support services.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56.

**Economic Impacts:** None

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** In accordance with Section 15061(b)(3) of the CEQA Guidelines, no environmental review is necessary because the recommendations in this report involve the purchase of software maintenance support services, which can be seen with certainty to have no significant effect on the environment.

**Sustainability:** Not applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** On November 24, 2009, City Council adopted Resolution No. 2009-733, awarding a five-year contract to AssetWorks, Inc. for the implementation and purchase of M5 software and licensing and ongoing maintenance support services. M5 is a critical component of the City's fleet operations and is used to manage all fleet assets valued at \$180 million, \$5.5 million in parts transactions, and \$7 million in annual fuel transactions. Suspending competitive bidding is recommended because M5 is proprietary software to AssetWorks, Inc. and no other vendor can provide the required annual support and maintenance services.

**Financial Considerations:** Contract No. 2009-1089 with AssetWorks, Inc. covered the time period from December 15, 2009 through December 14, 2014. Fleet Management has been in contract negotiations with AssetWorks, Inc. to renew the contract since December 14, 2014, during which time AssetWorks, Inc. has provided software support without payment. After Contract Supplement No. 1 is executed, Fleet Management will issue payment to AssetWorks, Inc. for the first year of software support (December 1, 2014 through November 30, 2015). The ongoing maintenance support services, in a revised total contract amount not to exceed \$420,179, will be paid from the DPW operating budget (Fleet Fund, Fund 6501). Sufficient funding exists in the FY2014/15 operating budget to purchase the first year of maintenance support services. Purchases made for the second year, beginning November 30, 2015, and beyond are subject to funding availability in the adopted budget of the applicable fiscal year.

**Local Business Enterprise (LBE):** AssetWorks, Inc. is not a LBE. The City's LBE requirements do not apply to agreements issued prior to November 19, 2013. Contract No. 2009-1089 was initially executed on November 24, 2009.

## **RESOLUTION NO. 2015-**

Adopted by the Sacramento City Council

May 26, 2015

### **SUSPENDING COMPETITIVE BIDDING FOR CONTRACT SUPPLEMENT NO. 1 FOR FLEET SOFTWARE MAINTENANCE SUPPORT SERVICES**

#### **BACKGROUND**

- A. The Department of Public Works (DPW), Fleet Management Division, has used AssetWorks, Inc. FleetFocus (M5) software for over 10 years for work orders and asset management. M5 is a critical component of the City's fleet operations and is used to manage all fleet assets valued at \$180 million, \$5.5 million in parts transactions, and \$7 million in annual fuel transactions.
- B. In accordance with City Code Chapter 3.56.230(C), the City Council may, by two-thirds vote, suspend competitive bidding for any purchase or contract in the best interests of the City. Suspending competitive bidding is in the best interest of the City because M5 is critical to the City fleet operations, is proprietary software to AssetWorks, Inc., and no other vendor can provide the required annual support and maintenance services.

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

- Section 1. In the best interests of the City, competitive bidding is hereby suspended for the purchase of M5 maintenance support services.
- Section 2. The City Manager or the City Manager's designee is authorized to execute Contract Supplement No. 1 to Contract No. 2009-1089 with AssetWorks, Inc. for FleetFocus M5 maintenance support services for a period of two years through November 30, 2016, with three one-year renewal options (which may be executed by the City Manager or his designee), in an amount not to exceed \$276,831, for a revised total contract amount not to exceed \$420,179 for the potential five-year term.



Requires Council Approval:  No  YES Meeting: 5-19-15

Real Estate  Other Party Signature Needed  Recording Requested

General Information

Type: Software Maintenance Agreement PO Type: N/A	Attachment: No.: 1
Not to Exceed: \$420,179	Original Doc Number: 2009-1089
Other Party: AssetWorks	Certified Copies of Document:
Project Name: Software Maintenance Agreement	Deed: <input checked="" type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: Bid Transaction #: N/A	E/SBE-DBE-M/WBE:

Department Information

Department: Public Works Division: Fleet Management

Project Mgr: Daniel Choe

Contract Services: N/A Division Mgr: Steve Barker

Phone Number: 808-6631 Org Number: 13001211

Comment: Original Contract Amount: \$143,348

Review and Signature Routing

**Department** Signature or Initial Date

Project Mgr: ajc for Daniel Choe 4/16/15

Contract Services: \_\_\_\_\_

**City Attorney** Signature or Initial Date

City Attorney: KCB 4/20/15

Send Interoffice Mail to Daniel Choe (12500)

Notify for Pick Up: Daniel Choe - 808-6631

**Authorization** Signature or Initial Date

Jerry Way  
Director, Public Works: \_\_\_\_\_

City Mgr: Yes  No

Contract Cover/Routing Form: Must accompany ALL Contracts; however, is not part of the contract. (01-01-09)

(Under \$100K - Blue)

**For City Clerk Processing**

**Finalized:**

Initial: \_\_\_\_\_

Date: \_\_\_\_\_

**Imaged:**

Initial: \_\_\_\_\_

Date: \_\_\_\_\_

**Received:**  
(City Clerk Stamp Here)

**SUPPLEMENTAL AGREEMENT**

**Project Title and Job Number:** Software Maintenance Agreement

**Date:**

**Purchase Order #:**

**Supplemental Agreement No.: 1**

The City of Sacramento ("City") and AssetWorks ("Contractor"), as parties to that certain Software Maintenance Agreement designated as Agreement Number 2009-1089, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. Section B.1. Term of the Agreement is deleted and replaced in its entirety with the following:
  1. Term  
The term of this Agreement shall run through November 30, 2016. Prior to the expiration of the term, CUSTOMER, on an annual basis and in its sole discretion, may extend the term of this Agreement for three additional periods of one year each.
2. SCHEDULE 1 (Licensed Software Products) in the Agreement is deleted and replaced in its entirety with the document in Attachment 1.
3. SCHEDULE 2 (Annual Software Maintenance Costs) in the Agreement is deleted and replaced in its entirety with the document in Attachment 2.
4. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount of the Agreement for Software Maintenance and Support Costs, is increased by \$276,831.00, and the Agreement's maximum not-to-exceed amount is amended as follows:
 

Agreement's original not-to-exceed amount:	<u>\$ 143,347.61</u>
Net change by previous supplemental agreements:	<u>\$ 0.00</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$ 143,347.61</u>
Increase/Decrease by this supplemental agreement:	<u>\$ 276,831.00</u>
New not-to-exceed amount including all supplemental agreements:	<u>\$ 420,178.61</u>
5. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
6. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
7. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

**Approval Recommended By:**

**Approved As To Form By:**

Isela Garcia for Daniel Choe  
Project Manager

Kourtney C. Boudick  
City Attorney

**Approved By:**

[Signature]  
Contractor

**Approved By:**

**Attested To By:**

\_\_\_\_\_  
City of Sacramento

\_\_\_\_\_  
City Clerk

## Attachment 1

### Schedule 1 - Licensed Software Products

DESCRIPTION	ITEMS	#
<b><u>FleetFocus M5</u></b>		
FleetFocus M5 Standard Unit Licenses	Active Units	2,900
	Active Components	8,700
Replacement Analysis	Active Units	2,900
Motor Pool	Active Units	2,900
Accident Module	Active Units	2,900
Notifications	Active Units	2,900
Ad Hoc Query	Active Units	2,900
Dashabords/KPIs	Active Units	2,900
Performance Monitors and Measures (PMM) / Value Finder Module	Active Units	2,900
Customer Portal	Active Units	2,900
Shop Portal	Active Units	2,900
<b><u>Adaptors and Integration</u></b>		
M5 Business Objects Integration Adaptor (Crystal Integration)	Active Units	2,900
MAXQUEUE Universal Integration Adapter (for PeopleSoft)	Active Units	2,900
NAPA Integration	Enterprise	Unlimited
Zonar Integration	Enterprise	Unlimited
<b><u>FuelFocus</u></b>		
Island Control Unit (ICU)	Active Units	15
Vehicle Data Collector (VDC)	Active Units	7

## Attachment 2

### ***Schedule 2 - Annual Software Maintenance and Support Costs***

To maintain all of the software listed in Schedule 1, Customer shall pay AssetWorks as follows:

<b>Time Period</b>	<b>Cost</b>
Dec 1, 2014 - Nov 30, 2015	\$ 52,036
Dec 1, 2015 - Nov 30, 2016	\$ 52,155
Dec 1, 2016 - Nov 30, 2017	\$ 54,763
Dec 1, 2017 - Nov 30, 2018	\$ 57,501
Dec 1, 2018 - Nov 30, 2019	\$ 60,376
<b>Total</b>	<b>\$ 276,831</b>