



*City of Arts & Innovation*

# City Council Memorandum

---

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: JANUARY 14, 2020**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT      WARDS: ALL**  
**DEPARTMENT**

**SUBJECT: FOURTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH COMPUTRONIX (USA), INC., TO MODIFY THE SCOPE OF SERVICES TO FACILITATE ONE STOP SHOP DEVELOPMENT SERVICES FOR AN ADDITIONAL COST OF \$192,230, FOR A REVISED TOTAL CONTRACT AMOUNT OF \$2,183,910, AND TO EXTEND THE TERM OF THE AGREEMENT THROUGH JANUARY 10, 2021 IN ACCORDANCE WITH PURCHASING RESOLUTION 23256, SECTION 403**

## **ISSUE:**

Approve the Fourth Amendment to Professional Services Agreement for the Permitting System Replacement Software Project to Computronix (USA), Inc., to amend the scope of services for an additional cost of \$192,230, for a revised total contract amount of \$2,183,910, and to extend the term of the agreement through January 10, 2021 to facilitate One Stop Shop development services, in accordance with Purchasing Resolution 23256, Section 403.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the Fourth Amendment to Professional Services Agreement with Computronix (USA), Inc., to amend the scope of services to facilitate One Stop Shop Development Services for an additional cost of \$192,230, for an amended total contract amount of \$2,183,910 and extend the term of the agreement through January 10, 2021, in accordance with Purchasing Resolution 23256, Section 403;
2. Approve additional change order authority up to 10% of the amended total contract amount, or \$218,391, to be used for differences from phased/milestone estimates and minor but necessary supplemental purchases; and
3. Authorize the City Manager, or designee, to execute the Fourth Amendment to Professional Services Agreement with Computronix (USA), Inc., and all related documents, including making any minor non-substantive changes as necessary to effectuate the Fourth Amendment.

## **BACKGROUND:**

As a key implementation measure of the Streamline Riverside initiative, the City's legacy permitting software, Permits Plus, is being replaced with POSSE LMS software, a product of Computronix, Corporation, as previously approved by the City Council. The City's permit tracking system is utilized to support residents, developers, and contractors to obtain building permits, land use entitlements, street opening permits, and fire permits, to name a few. The permit tracking software upgrade is a critical component of the Streamline Riverside initiative as it achieves much needed modernization, transparency and efficiency goals established and expected by the City Council and our development community. It further allows applicants the ability to remotely initiate permit and entitlement applications, submit electronic plans and monitor project and permit status online in real time.

On October 6, 2015, City Council approved technology funding of \$2,274,488 for software, hardware/technology infrastructure, ACS/Xerox services, and mobile equipment. This amount included a Professional Services Agreement from Request for Proposal (RFP) 1470 to Computronix (U.S.A.), Inc., for a Permitting System Replacement Software Project, POSSE LMS, in the amount of \$1,307,870. The agreement included a project consisting of two phases. Phase 1 implements the Building & Safety permit process and the associated departments involved in providing building plan review services including, but not limited to: Planning, Public Utilities Electric and Water, Public Works, Fire, and Parks & Recreation. Phase 2 consists of other department related entitlement, project review, and permitting processes specific to Planning, Public Utilities Water, Public Works, and Fire Prevention. Phase 1 project kick-off and implementation occurred on March 13, 2016.

On April 18, 2017, City Council approved the First Amendment to the Agreement. During the project's "fit gap analysis" milestone, additional services were identified as necessary and others were determined to be reduced. The scope of service changes included additional software licenses and professional services for the customization of the Public Utilities Water permitting process, setting up the City's unique fee structure and workflows, end user training, the addition of the mobile inspection application and the Interactive Voice Response (IVR) system interface. The First Amendment increased the cost in professional services by \$486,260 for a total contract value of \$1,794,130.

On June 11, 2018, a Second Amendment to the Agreement was executed using the City's change order authority. During the initial "user acceptance testing" phase of the project, several issues were identified by staff that required further development and enhancement of the software to meet the Riverside business model. The improvements involved several permit reports, public portal enhancements, and additional professional support services. The second amendment increased the cost in the agreement by \$76,650 for a total contract value of \$1,870,780.

On February 12, 2019, a Third Amendment to the Agreement was approved by the City Council which increased the professional services agreement by \$120,900 and included a revised total contract amount of \$1,991,680. The scope of service changes in the Third Amendment included professional support services to rebuild the GIS address and parcels interface, inclusion of production environment configuration, metadata and testing support services, electronic plan review synchronization and interface with Project-Dox software, and enhancements to the POSSE LMS software to meet the City's permitting business model to ensure a successful Phase 1 go-live in the summer of 2019.

## **DISCUSSION:**

On July 15, 2019, Phase 1 of the POSSE LMS permit tracking software implementation successfully launched. The internal environment was enabled to support the Building & Safety Divisions permit processing, plan review, and inspection services, which included a new web-based mobile inspection platform. To date, over 2,500 permits have been processed in the new software, while significantly improving the field inspection and information sharing process both internally with staff and with our customers. Staff anticipates launching the new public-facing portal in concurrence with the pending Community & Economic Development website update. With several final enhancements pending, we anticipate its completion and roll out in the first quarter of 2020. There will be a significant marketing effort to provide public outreach, training, and promotion of the new public facing portal. Staff continues working diligently towards making the new virtual environment as user friendly as possible to meet the Riverside business model and ensure its success.

Progress also continues with Phase 2 of project implementation, which includes the Planning Division, Public Works, Fire Prevention, and the Public Utilities Water Division. Separate go-live events for Phase 2 will occur to realize the software's benefits as soon as possible: first, with Utilities Water and Fire Prevention, anticipated in the first quarter of 2020, then Planning and the Public Works Department in the third quarter of 2020. This timeframe aligns with a separate project that includes a POSSE LMS software upgrade, fully integrated electronic plan review tool, and a document storage system enabled through a grant award received by the City in the summer of 2019, also known as Phase 3 of project implementation. It is anticipated that collectively, Phase 1 and 3 will be completed in quarter three of 2020 and ensure that a fully integrated system is in place for the City's development services team and our community.

The changes to the scope of service in the Fourth Amendment include the following professional services that will enable completion of Phase 2 in a timely manner and provide additional project support post-warranty for Riverside's site-specific enhancements to the software:

1. Enablement training for Innovation and Technology and CEDD staff to support the POSSE LMS software production environment after the agreement and warranty period ends;
2. Professional support services for user acceptance testing, test creation, product enhancements to meet the City business model, and metadata configuration related to Phase 2 of the project, and
3. Post-warranty product support for Riverside site-specific enhancements to meet the Riverside business model.

The proposed Fourth Amendment to the Agreement will increase the cost of professional services by \$192,230 for a total contract amount of \$2,183,910.

The current agreement expires on April 30, 2020. To ensure that the project successfully implements Phase 2 in accordance with the terms of the agreement, staff proposes an extension up to and including January 10, 2021. This timeframe also allows for the completion of Phase 3 in accordance with the Southern California Association of Governments (SCAG) grant award that implements our newly integrated POSSE LMS electronic plan review solution into the software.

The Computronix (USA), Inc., professional services hourly rate will also increase from \$150/hour to \$165/hour for any future project scope beyond this amendment to the professional services agreement, which has been in place since project kick-off in 2016.

The increase in funds, agreement extension and hourly rate increases complies with Purchasing Resolution 23256, Section 403 which states, "Competitive Procurement shall not be required for Information Technology software maintenance and license renewals; training; advertising; or professional recruitment services where the Manager is satisfied that the best price, terms and condition for the Procurement thereof have been negotiated."

The Purchasing Manager concurs that this amendment is in compliance with Purchasing Resolution 23256, Section 403 and the Chief Innovation Officer concurs with the recommendations proposed.

**FISCAL IMPACT:**

The total fiscal impact of this action is \$192,230, which may increase to \$259,171 if the remaining \$66,941 of the maximum 10% change order authority is utilized thereafter. Sufficient funds are available in the Permit SW- Computronix GF – Computer System Upgrade Professional Services, account number 9892100-462305, and in the Permit SW- Computronix B&S – Project Improvement Cost, account number 9892130-440446.

Prepared by: David Welch, Community & Economic Development Director  
Certified as to availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Attachment: Fourth Amendment to the Professional Services Agreement with Computronix (U.S.A), Inc.