



# City Council Memorandum

City of Arts & Innovation

---

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: NOVEMBER 19, 2024**

**FROM: CITY ATTORNEY'S OFFICE                      WARDS: ALL**

**SUBJECT: APPROVE A PROFESSIONAL CONSULTANT SERVICES AGREEMENT (TECHNOLOGY SERVICES) WITH ASSEMBLY SOFTWARE LLC, FOR A LEGAL CASE MANAGEMENT SYSTEM IN THE AMOUNT OF \$719,714 OVER TEN (10) FISCAL YEARS, WITH ANNUAL SUBSCRIPTION RENEWALS THEREAFTER – \$83,389 SUPPLEMENTAL APPROPRIATION**

**ISSUE:**

To consider approval of a Professional Consultant Services Agreement (Technology Services) with Assembly Software LLC, a Delaware limited liability company, for a Legal Case Management System in the amount of \$719,714 over ten (10) fiscal years, with annual subscription renewals thereafter, and a supplemental appropriation of \$83,389.

**RECOMMENDATION:**

That the City Council:

1. Approve the Professional Consultant Services Agreement (Technology Services) with Assembly Software LLC, for a Case Management System, for a total amount of \$719,714 over ten (10) fiscal years, with annual subscription renewals thereafter;
2. Approve annual subscription increases not-to-exceed 2% per year for the initial 10-year term;
3. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement (Technology Services) with Assembly Software LLC, including annual subscription renewals and making minor and non-substantive changes; and
4. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation in the amount of \$83,389 in the General Fund, City Attorney's Office Software Purchase/Licensing account from available General Fund reserves.

**BACKGROUND:**

For over 25 years, the City Attorney's Office (CAO) has relied on CityLaw by Cycom Data Systems, Inc. as our Legal Case Management System (CMS). Unfortunately, this system has

become obsolete and increasingly problematic, hampering our ability to manage documents, calendars, and workflows efficiently. Staff experience a continuous stream of issues occurring at least one or more times each week. To put things into perspective, since July 1, 2023, CAO staff have submitted over 120 TechHub requests to the City's Innovation & Technology Department due to issues with CityLaw. Although the City's IT Department has been incredibly supportive despite the ongoing third-party software issues, numerous requests on a regular basis place a strain on Citywide IT resources.

Currently, the CAO manages approximately 250 active litigation and public safety case files, processes around 2,900 transactional assignments, and handles about 25 workers' compensation case files annually. CAO staff utilize the existing software daily, and its limitations have posed significant challenges in delivering high-quality legal representation.

A state-of-the-art case management system (CMS) is crucial for a City Attorney's Office as it directly impacts the quality and efficiency of legal services provided to our clients. In an environment where the volume and complexity of cases continue to grow, a modern CMS enables attorneys and staff to streamline workflows, manage documents efficiently, and maintain accurate calendars, all of which are vital for meeting deadlines and ensuring compliance with legal standards. Furthermore, a modern CMS enhances collaboration among team members, improves data accessibility, and facilitates communication with clients, thereby increasing overall client satisfaction. By adopting a cutting-edge CMS, the City Attorney's Office can minimize delays and ultimately provide more effective legal representation to the City.

On January 12, 2024, Purchasing Division of the Finance Department released Request for Proposals (RFP) 2238 to identify a comprehensive CMS that would meet our evolving needs. The RFP closed on February 16, 2024 receiving responses from 13 vendors of which all 13 were considered responsive. All proposals were reviewed by a selection panel comprised of staff from the City Attorney's Office and the Innovation & Technology Department. Proposals were evaluated according to each vendor's: (1) qualifications, (2) pricing, (3) experience, (4) professional references, and (5) approach and methodology. After reviewing the RFP submissions, the panel subsequently invited five (5) finalists for interviews allowing an in-depth software demonstrations on April 25, 2024. After a thorough evaluation, the panel unanimously selected JusticeNexus by Aeon Nexus Corporation as the preferred option. However, despite satisfying all technical requirements, the proposal's cost significantly exceeded our budget for this project. A negotiation meeting was held on May 3, 2023 for a lower price, which was unsuccessful. Annual cost of \$327,658, if used for ten (10) years would amount to \$3,276,580. Bearing in mind fiscal responsibility, the decision was made to terminate the RFP process due to the remaining proposals' similarity to our current system, which would hinder our office's necessary evolution. PlanetBids was updated to reject all bids due to funding constraints on May 3, 2024.

As part of the amended Fiscal Year 2023/24 budget process which was presented to City Council on June 27, 2023, the City Council previously approved an allocation of \$100,000 for implementation costs and ongoing software license costs of \$42,325 annually for a new case management system for the City Attorney's Office. Although the City Attorney's Office received a total allocation of \$142,325 in FY 2023/24 for a new case management system, these funds were unused and returned to the General Fund as a result of the challenges faced with RFP 2238. The City Attorney's Office budgeted \$42,325 for subscription costs incurred in FY 2024/25 and these funds will be used to offset the implementation costs of this proposed system.

**DISCUSSION:**

Between May 28, 2024, through June 20, 2024, staff from the City Attorney’s Office conducted an extensive search for alternative solutions. This led us to four potential alternatives: Neos by Assembly Software LLC, iManage, Clio, and MyCase. All four vendors were invited to provide in-depth software demonstrations. This process allowed the review panel to further validate the functionality and observe specific scenarios from each proposed solution. Following thorough software demonstrations, the panel determined that Neos by Assembly Software LLC offered the best solution for the City Attorney’s Office, in terms of functionality.

The proposed solution by Assembly Software LLC, demonstrated its unique software capabilities and ease of use. One of the major features that Neos offers is that it is a highly customizable cloud-based solution, which offers the flexibility of customizing the software to fit the unique needs of each division within the City Attorney’s Office. Neos takes advantage of integrations with Microsoft Office 365, Azure, and Sharepoint to implement workflows, analytics, automation and enhanced communications. Neos also offers integration with LawToolBox, which automates calendaring for litigation matters, which ensures accuracy and efficiency.

The City Attorney’s Office worked closely with the City’s Innovation and Technology Department to ensure that this proposed solution satisfies the City’s technical requirements. The proposed solution also received high praise from existing users. Staff conducted phone reference checks with three (3) firms who use the software and received positive feedback.

Assembly Software provides the service through a cloud-based software subscription (rather than selling a software license) and no new equipment will be necessary. Staff estimates it will take up to six months from agreement execution to fully implement the new system.

The overall cost for this proposed solution is nearly four and half times lower compared to the solution offered by Aeon Nexus Corporation, which was identified by RFP 2238.

The following chart summarizes the agreement’s cost by fiscal year:

	FY 2024/25	FY 2025/26 through FY 2033/34	Total
Implementation	\$59,714.00	-	\$59,714.00
Annual Subscription	\$66,000.00	\$66,000.00 <sup>(1)</sup> Annually	\$660,000.00
Total	\$125,714.00	\$66,000.00 <sup>(1)</sup> Annually	\$719,714.00
Note: <sup>(1)</sup> Subject to not-to-exceed 2% annual increases, for the initial 10-year term. (Industry Standard Annual Increase is 5%.)			

**Cost savings of \$2,556.866**, compared to RFP 2238.

Purchasing Resolution 24101, Section 702(w) states “When approved by the Manager, Services not subject to the bidding requirements of Section 1109 of the City Charter, which are of such a nature that suitable technical or performance specifications describing them are not readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate with any Person or Persons for the Procurement thereof upon the price, terms and conditions need by the Manager to be in the best

interest of the City and in doing so may utilize Informal Procurement or Negotiated Procurement process.”

The Chief Innovation Officer concurs that the underlying software complies with all current and foreseeable technological needs of the CAO.

The Purchasing Manager concurs that the recommended actions are in accordance with Purchasing Resolution No. 24101.

**STRATEGIC PLAN ALIGNMENT:**

The approval of a Professional Consultant Services Agreement (Technology Services) with Assembly Software LLC for a state-of-the-art Case Management System supports the priorities of the City of Riverside’s Envision Riverside 2025 Strategic Plan, by contributing to Strategic Priority No. 5 High Performing Government, by supporting the following:

**Goal No. 5.2.** Utilize technology, data, and process improvement strategies to increase efficiencies, guide decision making, and ensure services are accessible and distributed equitably throughout all geographic areas of the City.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Riverside is transparent and makes decisions based on sound policy, inclusive community engagement, involvement of City Boards & Commissions, and timely and reliable information. A state-of-the-art CMS promotes transparency and accountability within the City Attorney’s Office. By streamlining case management and improving communication, the CAO can provide timely updates on legal matters, ensuring that clients are informed. This transparency helps to build trust in the legal process.
2. **Equity** – Implementing an advanced CMS enables the City Attorney’s Office to better serve its clients by ensuring that all City staff have equal access to legal resources and information. The system’s capabilities for data analysis and reporting can help identify disparities in case handling and outcomes, allowing the CAO to address any inequities in service delivery.
3. **Fiscal Responsibility** – The City Attorney’s Office is expending funds in a careful and judicious manner in order to achieve cost savings for the City through the adoption of a modern CMS, as it will reduce inefficiencies and operational costs associated with outdated systems. By automating workflows and streamlining processes, the CAO can minimize manual labor and paperwork, thereby reallocating resources to more critical areas. This approach not only ensures that taxpayer dollars are spent wisely but also enhances our ability to manage the City’s legal matters effectively.
4. **Innovation** – The transition to a state-of-the-art CMS represents a commitment to innovation within the City Attorney’s Office. By leveraging the latest technology, we can enhance our customer service model, adapt to changing legal landscapes, and improve overall service delivery. Embracing innovative solutions will enable our office to respond more effectively to the needs of the City and stay ahead in an increasingly complex legal environment.

5. **Sustainability & Resiliency** – The new CMS supports sustainability initiatives by facilitating a transition to a paperless office, significantly reducing our reliance on physical documents and minimizing our environmental footprint. By enhancing document management and digital workflows, the CMS contributes to the City’s sustainability goals.

**FISCAL IMPACT:**

The total fiscal impact of this action is \$719,714 over ten (10) years, plus annual increases not-to-exceed 2%. FY 2024/25 costs include \$59,714 in implementation costs and \$66,000 in subscription costs, for a total of \$125,714. Of this amount, \$42,325 is available in the City Attorney’s budget, leaving a funding shortfall of \$83,389.

Upon Council approval, a supplemental appropriation of \$83,389 will be recorded in the General Fund, City Attorney’s Office Software Purchase/Licensing account 1300000-425700 for FY 2024/25 costs. Sufficient reserves are available within the City’s designated Technology Reserve account, if necessary. At this time, staff recommends leaving those designated reserves intact, pending review of General Fund FY 2024/25 performance through the quarterly financial reports. If the fiscal performance does not produce sufficient funding from undesignated General Fund reserves for this supplemental appropriation, a later recommendation may be proposed within a quarterly financial report for Council approval to move up to \$83,389 of the existing \$5 million in Technology Reserves to undesignated reserves for this purpose.

Annual subscription costs for future fiscal years will be included in the Department’s Budget submissions for those fiscal years to be presented to the City Council for approval.

Prepared by:	Jack Liu, Interim City Attorney
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Mike Futrell, City Manager
Approved as to form:	Jack Liu, Interim City Attorney

**Attachments:**

1. Professional Consultant Services Agreement (Technology Services) with Assembly Software LLC