



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: JANUARY 24, 2023**

**FROM: INNOVATION AND TECHNOLOGY      WARDS: ALL**  
**DEPARTMENT**

**SUBJECT: INCREASE FISCAL YEAR 2022/2023 COMPUTRONIX PURCHASE ORDER NO. 232701 BY \$38,430 FOR THE PURCHASE OF ADDITIONAL POSSE USER LICENSES, PLUS A 10% CHANGE ORDER AUTHORITY IN THE AMOUNT OF \$18,534 FOR A TOTAL PURCHASE ORDER AMOUNT NOT-TO-EXCEED \$203,873 – SUPPLEMENTAL APPROPRIATION**

## **ISSUE:**

Authorize an increase to the Fiscal Year 2022/2023 Computronix Purchase Order No. 232701 by \$38,430, for the purchase of additional posse user license, plus a 10% change order authority in the amount of \$18,534 for a total purchase order amount not-to-exceed \$203,873.

## **RECOMMENDATIONS:**

That the City Council:

1. Authorize an increase to the Fiscal Year 2022/2023 Computronix Purchase Order No. 232701 by \$38,430 for the purchase of additional Posse User Licenses;
2. Authorize 10% change order authority in the amount of \$18,534 for minor supplemental purchases and/or system upgrades;
3. With at least five affirmative votes, authorize a supplemental appropriation in the amount of \$56,964 in the Community Development Building and Safety, Grants and Restricted Programs Account, with funds from the Technical Fee Surcharge Fund; and
4. Authorize the City Manager, or designee, to execute all necessary documents to Purchase Order No. 232701 including making minor and non-substantive changes.

## **BACKGROUND:**

As a key implementation measure of the Streamline Riverside initiative, the City's legacy permitting software, Permits Plus, was 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 was a critical component of the Streamline Riverside initiative as it achieved much needed modernization, transparency and efficiency goals established and expected by the City Council and our development community. It further allowed 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 Professional Services 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 Professional Services 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 Professional Services 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.

On January 14, 2020, a Fourth Amendment to the Professional Services Agreement was approved by City Council which modified the Scope of Services to facilitate the One Stop Shop

Development Services for an additional cost of \$192,230, for a revised total contract amount of \$2,183,910. Historically, the Innovation and Technology Department has been managing the annual support renewals for the Computronix software. The renewal is approved by City Council via the Annual Innovation and Technology Department's Annual Procurement Memo. Most recently, a spending authority of \$155,689 (including a 15% change order authority) was approved on June 7, 2022; 13.08% of the original change order authority has been spent on a system upgrade.

### **DISCUSSION:**

Per the "One-Time Perpetual Software License Agreement" executed on October 7, 2015, the City of Riverside agreed to purchase a total of 120 user licenses. Since this time the City's size and scope of permitting operations has been increased and enhanced. The City is getting more value from the software because of the enhancements. More users are now using the software and additional licenses are required.

The Innovation and Technology Department is requesting thirty additional licenses for daily operations and to cover future growth. On September 7, 2022, the City and POSSE LMS vendor (Computronix) performed a review of the quantity of user licenses occupied by the City of Riverside for the use of the permitting software system. During the review, any assigned but unused licenses were analyzed in detail by IT and the applicable departments. Licenses determined not needed at this time were then deactivated to reduce the overage. In addition to the overage for daily operations, the City requires a small number of additional licenses to account for future growth and this is included in the request.

These licenses will continue to be used for development services staff from multiple city departments for the use of POSSE LMS, the City's citywide permitting system.

The Purchasing Manager concurs that the recommendation is in compliance with Purchasing Resolution No. 23914 section 702(t), which states "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances...(t) When the Procurement is for the annual maintenance, license(s), support, or similar need for current technology systems, including hardware, and the items procured are from the owner/developer of the software/hardware or from a sole source provider, and the Manager is satisfied that the best price, terms and conditions have been negotiated."

### **STRATEGIC PLAN ALIGNMENT:**

This purchase contributes to Strategic Priority No. 6 *Infrastructure, Mobility & Connectivity* and Goal No. 6.2. - Maintain, protect and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

The item aligns with each of the five cross-cutting threads as follows:

1. **Community Trust** – Through review and analysis of operational needs, the City identified resources needed to maintain meet or exceed permit community expectations.

2. **Equity** –The purchase of additional user licenses will ensure equitable distribution of POSSE services and provide the access needed to all staff who work within the software.
3. **Fiscal Responsibility** – The cost of additional POSSE licenses will ensure the city remains in legal compliance of the Computronix contract.
4. **Innovation** – The proposed request to increase Purchase Order 232701 will ensure continual connectivity to the city's permitting system and encourage collaboration between multiple departments and staff members.
5. **Sustainability & Resiliency** – Modification to the existing Purchase Order will meet the contractual obligation with the vendor and will account for future growth of Riverside's built environment.

### **FISCAL IMPACT:**

The total fiscal impact of this action is \$56,964. Upon City Council approval, a supplemental appropriation will be recorded in the amount of \$56,964 in the Grants and Restricted Programs Fund, Community Development Building and Safety, Professional Services account No. 2825001-421000 from the Grants and Restricted Programs Fund, Technical Fee Surcharge Fund Balance account no. 0000215-299204.

Prepared by: George Khalil, Chief Innovation Officer  
Certified as to  
Availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer  
Approved by: Mike Futrell, City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

### **Attachment:**

1. Computronix Price Quotation No. RS-2022-2