



*City of Arts & Innovation*

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL**      **DATE: APRIL 18, 2017**

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

**SUBJECT: FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH**  
**COMPUTRONIX, CORPORATION – TO MODIFY THE SCOPE OF SERVICES**  
**FOR AN ADDITIONAL COST OF \$474,150**

## **ISSUE:**

Approve the First Amendment to Professional Services Agreement for the Permitting System Replacement Software Project to Computronix (U.S.A.), Inc. to amend the scope of work for an additional cost of \$474,260.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve First Amendment to Professional Services Agreement for the Permitting System Replacement Software Project to Computronix (U.S.A.), Inc. to amend the scope of work for an additional cost of \$474,260; and
2. Authorize the City Manager, or his designee, to execute the First Amendment to Professional Services Agreement with Computronix, and all related documents, including making any minor non-substantive changes as necessary.

## **BOARD RECOMMENDATION:**

This report is published on April 6, 2017, for the April 18, 2017, City Council Meeting.

On April 10, 2017, the Board of Public Utilities (Board) will consider an item to approve the expenditures for the Public Utilities' share of the City's Computronix permit software upgrade project, of which Water and Electric Division's initial share allocation was \$135,915 and \$332,756, respectively, and an increased amount not to exceed \$119,050 for additional software services for the Water Division.

If the Board approves to increase the expenditures for the Water Division, we respectfully request the City Council consider the item at the April 18, 2017, City Council meeting.

## **BACKGROUND:**

As a key implementation measure of the City's Business Ready Riverside 2.0 strategy, the City Council approved the replacement of the City's legacy permitting software, Permits Plus, with POSSE software, a product by Computronix (U.S.A.), Inc. The City's permitting system is utilized to support residents, land developers, and contractors to obtain building permits, land use entitlements, street opening permits, fire permits, and utility permits, to name a few. The permitting software upgrade is a critical component to the Business Ready Riverside 2.0 strategy as it achieves needed modernization, transparency, efficiency, and accountability goals established and expected by the development community and further allows applicants the ability to initiate permits and in some cases obtain permits online.

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 includes a Professional Services Agreement from Request for Proposal (RFP) 1470 to Computronix (U.S.A.), Inc. for a Permitting System Replacement Software Project, POSSE, in the amount of \$1,307,870. This agreement specifies a project consisting of two phases. Phase 1 will be the implementation of Building and Safety permitting and associated departments involved in Building and Safety permitting, including Planning, Public Utilities Electric and Water, Public Works, Fire, and Parks Recreation and Community Services Departments. Phase 2 will be the implementation of department specific permitting processes including Planning, Public Utilities Water, Public Works, and Fire.

## **DISCUSSION:**

The software implementation process includes significant coordination between Computronix and City staff to evaluate, identify, and resolve business process needs to ensure successful project execution. During the gap analysis phase, Computronix identified and documented how POSSE should integrate into the current City business processes. It was during this process that additional services were identified and other services were determined to be reduced. The scope of work changes include additional software licenses and support services.

Highlight of the change in scope include:

1. An iPad based mobile inspection application that will be used by inspectors in the field to facilitate a modern electronic inspection workflow.
2. A technology interface for the City's Interactive Voice Response (IVR) phone sub-system, for inspection scheduling and results, which was determined to be critical for our City customers.
3. Additional functionality for proposed Water Permit, Fire Flow Test Request Permit, and Water Plan Request Permit for Riverside Public Utilities Water Division.
4. Various custom output documents associated with Public Utilities Water Division Permits.
5. Enhanced user acceptance testing development for Phase 1 and Phase 2 of the project to ensure the system is better tested to meet the City's entire needs prior to acceptance and go-live.

6. Enhanced user training for Phase 1 and Phase 2 of the project to ensure the City's staff is productive and able to work successfully within the new software.
7. Additional initial configuration services for Phase 1 and Phase 2 of the project which includes but is not limited to configuration of permits, processing, documents, online functionality, workflows, reviews, inspections, fees, and any checklists within the software.

The cost of the scope change specific to the needs of the Public Utilities Department Water Division, in the amount not to exceed \$119,050, will be allocated to the Division. The remaining cost for the revised scope of work, \$355,210, will be paid from the permit fees collected with permit issues from development customers:

The Purchasing Services Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 22576. The Utilities General Manager, Chief Innovation Officer, and Purchasing Services Manager concur with the recommendations.

### **FISCAL IMPACT:**

The total fiscal impact of the action is \$474,260. The additional costs related to a change in scope will be funded via a previously approved capital lease. There is a 4% technology cost recovery component added to development-related fees that is anticipated to offset the debt service component of the capital lease. Over the life of the system, this revenue is anticipated to fully cover the costs of the project, and no net General Fund budgetary impact is anticipated. Additionally, the Water Fund will reimburse the General Fund \$119,050 for its share of the additional project costs related to the change in scope specific to the Water Fund need. Sufficient funds are available, in the Permit SW - Computronix GF - Cmptr Sys Upgrad Professional Services, account number 9892100-462305 to cover the remaining amount of \$355,210.

Prepared by: Rafael Guzman, Community & Economic Development Director

Certified as to

availability of funds: Scott G. Miller PhD, Chief Financial Officer/City Treasurer

Approved by: Al Zelinka, FAICP, Assistant City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachments: First Amendment to the Professional Services Agreement with Computronix (U.S.A)