



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 12, 2019

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARDS: ALL
DEPARTMENT

SUBJECT: THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH
COMPUTRONIX (U.S.A.), INC. TO MODIFY THE SCOPE OF SERVICES FOR
AN ADDITIONAL COST OF \$120,900, FOR A REVISED CONTRACT AMOUNT
OF \$1,991,680, AND EXTEND THE TERM OF THE AGREEMENT THROUGH
APRIL 30, 2020.

ISSUE:

Approve the Third Amendment to Professional Services Agreement for the Permitting System Replacement Software Project to Computronix (U.S.A.), Inc. to amend the scope of services for an additional cost of \$120,900, for a revised contract amount of \$1,991,680, and extend the term of the agreement through April 30, 2020.

RECOMMENDATIONS:

That the City Council:

1. Approve the Third Amendment to Professional Services Agreement for the Permitting System Replacement Software Project to Computronix (U.S.A.), Inc. to amend the scope of services for an additional cost of \$120,900, for an amended contract amount of \$1,991,680;
2. Extend the term of the agreement through April 30, 2020 through the Purchase Order;
3. Approve additional change order authority up to 10% of the amended total contract amount, or \$199,168, to be used for differences in phased/milestone estimates and minor but necessary supplemental purchases; and
4. Authorize the City Manager, or designee, to execute the Third Amendment to Professional Services Agreement with Computronix, and all related documents, including making any minor non-substantive changes as necessary to effectuate the Third Amendment.

BACKGROUND:

As a key implementation measure of the Business Ready Riverside 2.0 strategy, the City's legacy permitting software, Permits Plus, will be replaced with POSSE LMS software, a product of 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 of the Streamline Riverside initiative as it achieves needed modernization, transparency, efficiency, and accountability goals established and expected by the development community. It further allows applicants the ability to initiate permit and entitlement applications, submit electronic plans and in some cases obtain permits online.

On October 6, 2015, the 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. The first phase implements the Building & Safety permitting 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. The second phase consists of other department-related entitlement, review and permitting processes specific to Planning, Public Utilities Water, Public Works, and Fire Prevention. Project kick off occurred on January 17, 2016 and implementation was 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 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 permit process, setting up the City's unique fee structure, the addition of the mobile inspection application, and the inclusion of the Interactive Voice Response (IVR) system interface. The First Amendment increased the cost in professional services by \$474,260 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 of the agreement by \$76,650 for a total contract value of \$1,870,780.

DISCUSSION:

The software implementation process includes significant coordination between Computronix and City staff to evaluate and resolve business process needs to ensure successful project execution. A critical component of this process includes the assessment and testing of citywide interface applications, including but not limited to: GIS (Geographic Information Systems), financial software (IFAS), and our electronic plan review solution, Project-Dox. During the second round of user acceptance testing in August of 2018, various issues were discovered that significantly impact the functionality and services rendered by the permitting system. Critical flaws were identified in the GIS Address-Parcel interface, which required a full re-analysis and rebuild of significant portions of the software's functionality and business logic. Similar issues

were discovered between the interface of the new permitting software and our electronic plan review system, which require a synchronization process be employed to avoid user error and outcome inaccuracies. Additional software enhancements are also necessary to ensure accurate fees, reporting and Public Utilities Electric functionality in the software.

The scope of service changes in the third amendment include the following professional services and software enhancements:

1. Enhancements to the POSSE LMS software to meet the City's permitting business model
2. Electronic plan review software synchronization and workflow related professional services
3. GIS Address and Parcels Interface redesign, testing and implementation
4. Production environment configuration and deployment
5. Metadata set up and testing professional support services for Phase 1 and II

The proposed third amendment will increase the cost of professional services by \$120,900 for a total contract value of \$1,991,680.

The current agreement expires on April 30, 2019. To ensure that the project successfully implements both Phase I and II in accordance with the terms of the agreement, staff propose an extension date of April 30, 2020. This timeframe will also allow for the planning and proposal of a future Phase III, which is anticipated to be brought forward to City Council for consideration in the summer of 2019.

Pursuant to Resolution number 23256, the Purchasing Manager concurs that the recommendation to award is in compliance with the City's current Purchasing Resolution and the Chief Innovation Officer concurs with the recommendations proposed.

FISCAL IMPACT:

The total fiscal impact of this action is \$120,900, which may increase to \$208,618 if the remaining \$87,718 of the maximum 10% change order authority is utilized thereafter. There is a 4% technology cost recovery component added to development-related fees that will be used to fund this amendment and no net General Fund budgetary impact is anticipated. Sufficient funds are available, in the Permit SW - Computronix GF – Computer System Upgrade Professional Services, account number 9892100-462305.

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

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