



# City Council Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR AND CITY COUNCIL**                      **DATE: JUNE 18, 2019**

**FROM: GENERAL SERVICES DEPARTMENT**                      **WARDS: ALL**

**SUBJECT: MEASURE Z – AUTOMATIC RENEWAL OF DUDE SOLUTIONS, INC. ONLINE WORK ORDER MANAGEMENT SOFTWARE SUBSCRIPTION FOR FIVE YEARS FROM FISCAL YEARS 2019-20 THROUGH 2023-24 IN THE AMOUNT OF \$241,327.10**

**ISSUE:**

Approve the automatic renewal of Dude Solutions, Inc. online work order management software subscription for five years from Fiscal Years 2019-20 through 2023-24 in the amount of \$241,327.10.

**RECOMMENDATIONS:**

That the City Council:

1. Approve the automatic renewal of Dude Solutions, Inc. work order management software subscription for five years from Fiscal Years 2019-20 through 2023-24 in the amount of \$241,327.10; and
2. Authorize the upfront payment of \$241,327.10 to cover the 60 month term encompassing Fiscal Years 2019-20 through 2023-24.

**BACKGROUND:**

On February 23, 2016, the General Services Department presented a Preliminary Facility Needs Assessment Report to the City Council outlining key issues including insufficient staffing levels and budget appropriations for maintenance of existing facilities, lack of an established funding source for major repairs, and replacement and/or construction of new facilities. On April 5, 2016, the City Council received a budget update that implemented a more transparent and participatory community engagement process for the development of the Fiscal Year (FY) 2016-18 Two Year Budget, within the context of a Five-Year Financial Plan.

Riverside voters approved Measure Z on November 8, 2016. Measure Z authorized a one-cent increase in the City's sales tax rate, which began on April 1, 2017. On January 31, 2017, the City Council received a report on the proposed Measure Z spending priorities, provided comments and directed staff to work with the Budget Engagement Commission (BEC) to refine the five-year spending plan for Measure Z for a future City Council meeting. Following five BEC meetings to

define spending priorities and the allocation of Measure Z resources, the BEC finalized its recommendations to the City Council on May 4, 2017.

The FY 2017-2021 Measure Z Five-Year Spending Plan was adopted by City Council on May 16, 2017. The adopted Spending Plan included a total allocation of \$4.2 million over five years to deferred maintenance projects, ranging from \$250,000 to \$1.5 million annually. On June 12, 2018, the City Council adopted the FY 2018-2020 Two-Year Budget, which included an updated Measure Z Five-Year Spending Plan. The updated Measure Z Spending Plan stabilized Measure Z funding for deferred maintenance projects to \$1 million annually through FY 2022/23, for a total investment of \$6 million over six years (FY 2017/18 through FY 2022/23).

On February 14, 2018, the City entered into an agreement with Dude Solutions, Inc., in the amount of \$49,585 to perform a Pilot Facility Condition Assessment (FCA) at the following five key City facilities: City Hall, Marcy Building, Magnolia Police Station, Villegas Community Center and Orange Terrace Community Center. The field data collection and condition assessment captured information on all major building systems down to the individual component level, including site paving, heating and cooling systems, roofing, electrical, plumbing, elevators, and building and structural systems. This data was reviewed by staff and imported into the Dude Solutions Work Order Solution (Solution).

The Pilot FCA and Work Order Solution trial period ended on June 30, 2018. On August 28, 2018, the City Council approved the First Amendment to the Professional Consultant Services Agreement with Dude Solutions, Inc., which authorized the General Services Department to complete the FCA for the remaining core City facilities, including all Police and Fire stations, community centers, libraries, the Fox Entertainment Plaza, the Riverside Municipal Auditorium, and the Riverside Convention Center, at a cost of \$118,645. In addition, the First Amendment to the agreement included annual software subscription renewal for the Work Order Solution, at \$40,825, for a total FY 2018/19 cost of \$159,470.

**DISCUSSION:**

The Dude Solutions Work Order Management Solution is currently utilized to create and manage facility maintenance work orders, assign work to technicians via a mobile application, and track data on job completion. In addition, the Planned Maintenance application within the Solution allows General Services to create recurring maintenance schedules of daily to annual tasks. Performing planned preventive maintenance over time will reduce asset downtime and increase the lifespan of City building systems and components.

With the completion of the Facility Condition Assessment project, the General Services Department now requests City Council approval for automatic renewals of the Dude Solutions, Inc. online work order management software subscription for a 60 month term, encompassing FY 2019-20 through FY 2023-24. Dude Solutions, Inc. has offered to lock in pricing at the FY 2019/20 renewal amount of \$48,265.42 for the entire five year term, if the City pays for the entire five year term up front. Otherwise, there will be an estimated 5% price increase each year.

<b>Fiscal Year</b>	<b>Renewal Price Per Year</b>	<b>Renewal Price per Year (if paid upfront)</b>	<b>Savings (if paid upfront)</b>
<b>2019/20</b>	\$ 48,265.42	\$ 48,265.42	
<b>2020/21</b>	\$ 50,678.70	\$ 48,265.42	
<b>2021/22</b>	\$ 53,212.63	\$ 48,265.42	

<b>2022/23</b>	\$ 55,873.26	\$ 48,265.42	
<b>2023/24</b>	\$ 58,666.92	\$ 48,265.42	
Total:	<b>\$266,696.93</b>	<b>\$241,327.10</b>	<b>\$25,369.83</b>

### Cooperative Contract Procurement

Dude Solutions, Inc. holds a Cooperative Agreement #110515-SDI with Sourcewell (formerly known as the National Joint Powers Alliance or NJPA). Sourcewell uses cooperative contract purchasing to leverage the national purchasing power of more than 50,000 member agencies while also streamlining the required purchasing process. As a municipal national contracting agency, Sourcewell establishes and provides nationally leveraged and competitively solicited purchasing contracts under the guidance of the Uniform Municipal Contracting Law. Joint Powers laws enable members to purchase through their awarded contracts. The City is a member of Sourcewell.

Purchasing Resolution 23256, Section 702 (r) states that competitive procurement through the informal procurement and formal procurement process shall not be required "When the Procurement is for the renewal of maintenance, license(s), support or a similar need for existing technology systems, including hardware, and the items are procured from a vendor/reseller that was originally selected based on the City's procurement standards, provided that 1) the vendor has been used consecutively since then and 2) if there are any non-substantive changes to the procurement, the Manager is satisfied that the best price, terms and conditions have been negotiated."

The Purchasing Manager concurs that the recommendations are in compliance with Purchasing Resolution No. 23256.

The Chief Innovation Officer concurs with this report.

### **FISCAL IMPACT:**

The total fiscal impact of the Dude Solutions online subscription renewal for FY 2019-20 through FY 2023/24 is \$241,327.10, or \$48,265.42 per year. Sufficient funds are available in Measure Z Deferred Maintenance account 9901909903-46205000.

Prepared by: Carl Carey, General Services Director  
 Certified as to  
 availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer  
 Approved by: Moises Lopez, Deputy City Manager  
 Approved as to form: Gary G. Geuss, City Attorney

### Attachments:

1. Sourcewell Contract Quote Q-136468
2. Measure Z Report