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OFFICE OF THE CITY CLERK  
OAKLAND

2018 MAR -1 PM 2: 51

# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Jason Mitchell  
Director, Public Works

**SUBJECT:** Cityworks License/Maintenance  
Renewal With Azteca Systems, LLC

**DATE:** February 1, 2018

City Administrator Approval

Date:

3/1/18

## RECOMMENDATION

**Staff Recommends That the City Council Adopt A Resolution Authorizing The City Administrator, Or Designee, To:**

- 1) **Extend The Cityworks License and Maintenance Agreement With Azteca Systems, LLC Through May 31, 2022, In An Amount Not To Exceed Four Hundred Forty-Seven Thousand Dollars (\$447,000), Without Return To Council, With Additional Authority To Enhance The Agreement To:**
  - a. **Expand the License and Maintenance Agreement for Additional Software Products & Licenses In An Amount Not To Exceed Three Hundred Thousand Dollars \$300,000 For The Term Of The Contract Without Return To Council; and**
  - b. **Enter Into License, Maintenance, Hosting, Purchase, And/OR Professional Services Agreement(s) with Azteca Systems LLC Or Their Authorized Business Partner(s) In An Amount Not to Exceed Four Hundred Thousand Dollars \$400,000 For The Term Of The Contract For Professional Services And/OR Products that Enhance Cityworks Through Additional Functionality, Without Return To Council; and**
- 2) **Waive The Competitive Proposal Solicitation Requirement For The Above Listed Agreements.**

## EXECUTIVE SUMMARY

Cityworks is the software that the City of Oakland uses to manage all work performed on the City's infrastructure assets, and is the tool that is used to track service requests made to OAK311 (the Oakland Call Center).

The City of Oakland Public Works Department (OPW) and Department of Transportation (DOT) have successfully used the software since 2009 to generate and track service requests and work orders; track labor, equipment, and materials needed for the repair and maintenance of the City's assets; calculate performance measures and respond to records requests; close the loop

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with the public; demonstrate compliance with sewer Consent Decree requirements; and interface with the SeeClickFix mobile application.

Particularly as OAK311 expands, it is necessary to expand Cityworks use beyond OPW and DOT. Further, improved efficiencies and asset management can be achieved via additional Cityworks technologies for mobile work, cloud-based computing, and data visualization and analysis. The Cityworks platform is an industry standard and is licensed directly by Azteca Systems, LLC ("Azteca Systems").

Council approval of this resolution will extend and expand the City's license and maintenance agreement with Azteca Systems for an additional four years, allowing expansion beyond OPW/DOT with unlimited quantities of currently-licensed products and the expanded list of products associated with a "Server AMS Standard License Agreement (ELA)," while waiving the competitive multiple-step solicitation process. Additionally, the resolution will allow an option for additional software products and licenses from Cityworks if needed, and allow an option for services and/or products and licenses from Cityworks business partners, within the same timeframe.

#### **BACKGROUND / LEGISLATIVE HISTORY**

City Council Resolution No. 80847 C.M.S. (September 18, 2007) authorized the purchase and implementation of the Cityworks software for OPW/DOT from VESTRA Resources, Inc. ("VESTRA"), following a competitive Request for Proposals process. VESTRA served as the prime consultant, with Azteca Systems as a sub-contractor providing the software.

City Council Resolution No. 82678 C.M.S. (April 20, 2010) authorized the City Administrator to continue with an annual contract extension and make payment for on-going maintenance and support, including regular software updates, trouble-shooting and consultation related to the use of the software, for a period of three years ending June 1, 2013.

City Council Resolution No. 84161 C.M.S. (December 18, 2012), authorized the City Administrator to continue with an annual contract extension and make payment for on-going maintenance and support, including regular software updates, trouble-shooting and consultation related to the use of the software, for an additional five years ending May 31, 2018.

Staff has negotiated an updated agreement as described in this report. The additional users and features are to be retroactively applied starting June 1, 2017 at no additional cost. The schedule of payments and fees through May 31, 2022 are described in the Fiscal Impact section below.

Approval of the resolution will allow use of Cityworks by all City departments, which is necessary for expansion of OAK311. It will also allow use of technologies that are not available with the current license, such as new mobile options, a "Storeroom" for materials, tools specific to asset management analytics, tools to enable public-facing Geographic Information System (GIS) visualization of data, and use of Application Programming Interfaces (APIs) with commercially available Cityworks-centric applications that are licensed and maintained by authorized Cityworks partners. The license will include all departments at the City of Oakland with the exception of the Oakland International Airport.

## **ANALYSIS AND POLICY ALTERNATIVES**

There are two main components to the Cityworks system: (1) tracking service requests from the public, as well as internal customers, and (2) tracking work orders performed by staff on public infrastructure assets, which may or may not originate from service requests.

Service requests going back to July 1, 2009 are available via the City's Open Data website ([data.oaklandnet.com](http://data.oaklandnet.com)), and quick interactive charts are available on the City's OAK311 website (<http://311.oaklandca.gov>). An interface between the SeeClickFix mobile app and Cityworks was launched in February 2012. OAK311 launched in November 2017 and uses the Cityworks software to assign service requests to the appropriate City organization to track and resolve; the OAK311 mobile app (powered by the SeeClickFix app) interfaces directly with Cityworks.

Work is tracked throughout OPW/DOT for all types of public infrastructure assets; this includes staff in the Call Center, tree services, illegal dumping removal, drainage, park maintenance, graffiti abatement, sewers, streets and sidewalks, traffic signals and street lights, street signs and striping, and building maintenance, great streets and safe streets, the Recycling Hotline, materials testing lab, and surveyors.

Since the software implementation, staff has used Cityworks to resolve over 335,000 service requests and 535,000 work orders. Each time OPW/DOT receives a request for service and/or performs work on a physical infrastructure asset as defined above, information is tracked through system. This is critical to the day-to-day operations of OPW/DOT and the accountability of work performed in those departments. It is the foundation for reporting and measuring results.

Cityworks is also the tool used by OAK311 to track service requests from intake through completion. It is also the tool used for work on the City's infrastructure assets as described above. Accela is the tool that is used when a permit is needed, for both private property and when related to the public right-of-way (e.g., utility work, privately constructed public improvements, and sewer lateral connections to the City's sewer main pipes). Accela and Cityworks are complimentary systems and are expected to be used by the City of Oakland for the foreseeable future.

Enterprise software, such as Cityworks, is typically sold with an initial fee followed by an annual amount that covers software maintenance and support (e.g., bug fixes, version upgrades, trouble-shooting). This license and support is provided directly by the software company. Azteca Systems follows this standard model with Cityworks.

The most recent agreement with Azteca Systems covers the 5-year period ending May 31, 2018. It covers use by OPW/DOT for the core software, including improvements that happen with each new release. This current agreement only allows 12 City staff outside of OPW/DOT to use Cityworks, and does not provide access to the many new products and licenses that are now available via a "Cityworks Server AMS Standard Enterprise License Agreement (ELA)."

Recognizing these limitations, the City's Chief Information Officer negotiated with Azteca Systems for a new agreement which includes all departments at the City of Oakland with the exception of the Oakland International Airport, plus access to a list of additional products and

licenses, such as new mobile options, a “Storeroom” for materials, tools specific to asset management analytics, tools to enable public-facing GIS visualization of data, and use of Application Programming Interfaces (APIs) with commercially available Cityworks-centric applications that are licensed and maintained by authorized Cityworks partners.

Staff is also requesting authorization to allocate contingency funding for professional services, products and licenses from Azteca Systems and/or its authorized business partners, in the amount of \$700,000 for the term of the contract (four additional years ending May 31, 2022). This funding will be utilized on an as-needed basis only; to cover any future customizations, additional training sessions, or expanded implementation efforts.

The City of Oakland has benefited greatly from the use of Cityworks. The use of Cityworks has enhanced staff’s ability to track service requests from intake through completion, track the work performed on City assets, respond to requests for information, and measure performance.

The extension of the agreement with Azteca Systems is necessary to ensure that the City can perform these functions, improve performance with new technology, and expand the accountability associated with tracking requests and performance beyond OPW/DOT.

*Waiver of RFP/Q Competitive Selection Requirements*

City Council Resolution No. 80847 C.M.S. (September 18, 2007) originally authorized the purchase and implementation of the Cityworks software following a competitive Request for Proposals process.

Oakland Municipal Code “OMC” Section 2.04.042 requires a multiple-step solicitation process for contract extensions for the combined purchase of products and professional services. OMC Section 2.04.042 D. provides an exception to the multiple-step solicitation requirements of the OMC upon a finding and determination by the City Council that it is in the best interests of the City to do so.

Staff recommends that the Council find and determine that it is in the best interest of the City to waive the multiple-step solicitation process requirements for these contract extensions and for this project based on the following factors:

- **Business Essential System.** Cityworks is already part of the core technology system within OPW/DOT. To pivot to a different Contractor with a new system would (i) cause significant disruption to what is now a core functionality within the City and (ii) result in a substantial fiscal impact as it would necessitate a huge human and financial capital investment for a new system implementation.
- **Enterprise Platform and Cross Departmental Efficiencies.** By authorizing the expansion of the current Cityworks program beyond OPW/DOT, it would improve the existing platform by allowing for additional functions citywide. The other departments will have the same capabilities as the OPW/DOT, which will aid all departments in streamlining their processes and interdepartmental efforts.

### **FISCAL IMPACT**

The license and maintenance agreement appropriations are available for FY 18-19 in in Grant Clearing (Overhead) Fund (7760), PWA Overhead Clearing Project (1001288). In future years of the contract appropriations will be included in the Budget contingent upon the availability of funding. The annual amounts are:

<i>Date</i>	<i>Amount</i>
06/01/2018 - 05/31/2019	\$ 77,000.00
06/01/2019 - 05/31/2020	\$100,000.00
06/01/2020 - 05/31/2021	\$120,000.00
06/01/2021 - 05/31/2022	\$150,000.00

Optional additional products, licenses, and/or services from Cityworks or its business partners, not to exceed \$700,000 for the term of the contract, would come from departmental budgets. The specific funding would be determined by the organization(s) that need the additional products, licenses and/or services.

### **COORDINATION**

This report was prepared in coordination with the Information Technology Department, Public Works Department, Department of Transportation, Controllers Bureau, and the City Attorney's Office.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** This project indirectly benefits the local economy by improving efficiencies through expanding the accountability and performance measurement of the system beyond OPW/DOT. The annual maintenance and support allows for continued use of software that tracks the production of City staff. Losing access to technical support, bug fixes, and version upgrades would be more expensive. Managing the public's physical infrastructure assets without this software would be counter to best practices.

**Environmental:** There are no identifiable environmental opportunities associated with this report.

**Social Equity:** Approval of this resolution will enable analysis of City Infrastructure services by geography and provide necessary data for informed decision-making.

**ACTION REQUESTED OF THE CITY COUNCIL**

**Staff Recommends That the City Council Adopt A Resolution Authorizing The City Administrator, Or Designee, To:**

- 1) Extend The Cityworks License and Maintenance Agreement With Azteca Systems, LLC Through May 31, 2022, In An Amount Not To Exceed Four Hundred Forty-Seven Thousand Dollars (\$447,000), Without Return To Council, With Additional Authority To Enhance The Agreement To:
  - a. Expand the License and Maintenance Agreement for Additional Software Products & Licenses In An Amount Not To Exceed Three Hundred Thousand Dollars \$300,000 For The Term Of The Contract Without Return To Council; and**
  - b. Enter Into License, Maintenance, Hosting, Purchase, And/Or Professional Services Agreement(s) with Azteca Systems LLC Or Their Authorized Business Partner(s) In An Amount Not to Exceed Four Hundred Thousand Dollars \$400,000 For The Term Of The Contract For Professional Services And/Or Products that Enhance Cityworks Through Additional Functionality, Without Return To Council; and****
- 2) Waive The Competitive Proposal Solicitation Requirement For The Above Listed Agreements.**

For questions regarding this report, please contact Tom Morgan, OPW Agency Administrative Manager, at [TMorgan@oaklandnet.com](mailto:TMorgan@oaklandnet.com) or (510) 238-7953.

Respectfully submitted,

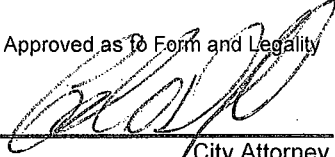


Jason Mitchell  
Director  
Oakland Public Works Department (OPW)

Andrew Peterson  
Chief Information Officer (CIO)  
Information Technology Department (ITD)

Reviewed by:  
Tom Morgan  
Agency Administrative Manager  
Oakland Public Works Department (OPW)

Prepared by:  
John McCabe  
Technology Program Manager  
Oakland Public Works Department (OPW)



City Attorney

2018 MAR -1 PM 2:51 RESOLUTION No. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR  
DESIGNEE,  
TO:

1. EXTEND THE CITYWORKS LICENSE AND MAINTENANCE  
AGREEMENT WITH AZTECA SYSTEMS, LLC THROUGH MAY 31, 2022,  
IN AN AMOUNT NOT TO EXCEED FOUR HUNDRED FORTY-SEVEN  
THOUSAND DOLLARS (\$447,000), WITHOUT RETURN TO COUNCIL,  
WITH ADDITIONAL OPTIONS TO:

- I. EXPAND THE LICENSE AND MAINTENANCE  
AGREEMENT FOR ADDITIONAL SOFTWARE PRODUCTS  
& LICENSES IN AN AMOUNT NOT TO EXCEED THREE  
HUNDRED THOUSAND DOLLARS \$300,000 FOR THE TERM  
OF THE CONTRACT WITHOUT RETURN TO COUNCIL;  
AND
- II. ENTER INTO LICENSE, MAINTENANCE, HOSTING,  
PURCHASE, AND/OR PROFESSIONAL SERVICES  
AGREEMENT(S) WITH AZTECA SYSTEMS LLC OR THEIR  
AUTHORIZED BUSINESS PARTNER(S) IN AN AMOUNT  
NOT TO EXCEED FOUR HUNDRED THOUSAND DOLLARS  
\$400,000 000 FOR THE TERM OF THE CONTRACT FOR  
PROFESSIONAL SERVICES AND/OR PRODUCTS THAT  
ENHANCE CITYWORKS THROUGH ADDITIONAL  
FUNCTIONALITY, WITHOUT RETURN TO COUNCIL; AND

2. WAIVE THE COMPETITIVE PROPOSAL SOLICITATION  
REQUIREMENT FOR THE ABOVE LISTED AGREEMENTS.

WHEREAS, Cityworks is the software that the City of Oakland uses to manage all work performed on the City's infrastructure assets, and is the tool that is used to track service requests made to OAK311 (the Oakland Call Center); and

WHEREAS, the City of Oakland Public Works Department ("OPW") and Department of Transportation ("DOT") have successfully used the software since 2009 to generate and track service requests and work orders; track labor, equipment, and materials needed for the repair and maintenance of the City's assets; calculate performance measures and respond to records requests; close the loop with the public; demonstrate compliance with sewer Consent Decree requirements; and interface with the SeeClickFix mobile application; and

WHEREAS, particularly as OAK311 expands, it is necessary to expand Cityworks use beyond OPW and DOT; and

WHEREAS, improved efficiencies and asset management can be achieved via additional Cityworks technologies for mobile work, cloud-based computing, and data visualization and analysis; and

WHEREAS, City Council Resolution No. 80847 C.M.S. (September 18, 2007) authorized the purchase and implementation of the Cityworks software for OPW/DOT following a competitive Request for Proposals process, and

WHEREAS, City Council Resolution 82678 C.M.S. (April 20, 2010) and City Council Resolution 84161 C.M.S. (December 18, 2012), authorized the City Administrator to continue with an annual contract extension and make payment for on-going maintenance and support, including regular software updates, trouble-shooting and consultation related to the use of the software; and

WHEREAS, the most recent agreement with Azteca Systems covers the 5-year period ending May 31, 2018 and covers use by OPW/DOT for the core software, but only allows 12 City staff outside of OPW/DOT to use Cityworks, and does not provide access to the many new products & licenses that are now available via a “Cityworks Server AMS Standard Enterprise License Agreement (ELA)”;

WHEREAS, the “Cityworks Standard Enterprise License Agreement (ELA)” will allow use of Cityworks by all City departments, which is necessary for expansion of OAK311, and will also allow use of technologies that are not available with the current license, such as new mobile options, a “Storeroom” for materials, tools specific to asset management analytics, tools to enable public-facing GIS visualization of data, and use of Application Programming Interfaces (APIs) with commercially available Cityworks-centric applications that are licensed and maintained by authorized Cityworks partners; and

WHEREAS, the license will include all departments at the City of Oakland with the exception of the Oakland International Airport; and

WHEREAS, OMC Section 2.04.042 requires a multiple-step solicitation process for the combined purchase of products and professional services by soliciting proposals, requiring vendor demonstrations when appropriate and feasible, and evaluating and rating proposals and performance in demonstrations on the basis of uniform criteria to be determined by the City Administrator on a case-by-case basis, for the purchase of supplies, equipment, and computer software; and

WHEREAS, OMC sections 2.04.042 D permits the City Council to waive the multiple-step solicitation process upon a recommendation of the City Administrator and a finding and determination that it is in the City's best interest to do so; and

WHEREAS, the City Administrator recommends that the Council make a finding and determination to waive the requirements of OMC section 2.04.042 and authorize the City Administrator to enter into an Agreement with Azteca Systems LLC., or their authorized business partners; and

WHEREAS, staff believes that it is in the best interest of the City to waive the competitive multiple-step solicitation process requirement based on the factors outlined in the staff report, including the fact that Cityworks is already a core technology system within the Oakland Public Works Department and Department of Transportation, and to pivot to a different contractor with a new system would cause significant disruption to operations, as well as detrimental fiscal impact to fund the capital investment needed to implement a new system; now, therefore be it



**RESOLVED,** That the City Council hereby authorizes the City Administrator, or Designee, to 1. Extend The Cityworks License And Maintenance Agreement With Azteca Systems, LLC Through May 31, 2022, In An Amount Not To Exceed Four Hundred Forty-Seven Thousand Dollars (\$447,000), Without Return To Council, With Additional Options To: I. Expand The License And Maintenance Agreement For Additional Software Products & Licenses In An Amount Not To Exceed Three Hundred Thousand Dollars \$300,000 Over The Term Of The Contract Without Return To Council; And II. Enter Into License, Maintenance, Hosting, Purchase, And/Or Professional Services Agreement(s) With Azteca Systems LLC Or Their Authorized Business Partner(s) In An Amount Not To Exceed Four Hundred Thousand Dollars \$400,000 For The Term Of The Contract For Professional Services And/Or Products That Enhance Cityworks Through Additional Functionality, Without Return To Council; And 2. Waive The Competitive Proposal Solicitation Requirement For The Above Listed Agreements; and 2. Pursuant to OMC Section 2.04.042 D, the City Council hereby finds and determines that it is in the best interests of the City to waive the multiple-step solicitation process requirements and authorizes entering into The Above Listed Agreements; and be it

**FURTHER RESOLVED,** That funds for the license and maintenance agreement are available in the Grant Clearing (Overhead) Fund (7760), PWA and DOT Overhead Clearing Projects (1001288)/(1003336) in FY2018-FY2019, appropriations will be included in the budget contingent upon the availability of funding for the future years of the contract from FY2020-FY2022; and be it

**FURTHER RESOLVED,** That funds for Optional additional products, licenses, and/or services from Cityworks or their business partners, not to exceed \$700,000 for the term of the contract, would come from departmental budgets; the specific funding would be determined by the organization(s) who need the additional products, licenses and/or services; and be it

**FURTHER RESOLVED,** That the City Administrator is hereby authorized to execute any amendments or modifications to said agreement with the exception of those related to an increase in total compensation or the allocation of additional funds, and provided that such amendments or modifications shall be reviewed by the City Attorney and filed with the City Clerk's Office.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California