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OFFICE OF THE CITY CLERK
OAKLAND
2019 JUN 13 PM 2:30

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Jason Mitchell
Director, Public Works

SUBJECT: CIP Portfolio Project Management
System

DATE: June 3, 2019

City Administrator Approval

Date:

6/12/19

RECOMMENDATION

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

- (1) Enter Into An Agreement With PMWeb, Inc, For A Term Beginning September 1, 2019, Through December 31, 2023, In An Amount Not To Exceed Eight-Hundred Eighty-Two Thousand Dollars (\$882,000), Including A Twenty Five Percent Contingency, For The Purchase And Installation Of A Capital Improvement Project Management System, Software License, Training And Support For the Department Of Transportation and The Oakland Public Works Department;
- (2) With The Option To Enter Into A License, Maintenance, Hosting, And Professional Services Agreement With PMWeb, Inc., Or Its Authorized Business Partners, In An Amount Not To Exceed Sixty-Nine Thousand Dollars (\$69,000), Including The Purchase Of Products That Enhance PMWeb Inc. System Through Additional Functionality, Without Return To Council; And,
- (3) Waive The Competitive Proposal Solicitation Requirement For The Professional Service Agreements For Continued Support And/Or Products Listed In (2) Above.

EXECUTIVE SUMMARY

Approval of this resolution will authorize the City Administrator, or her designee, to enter into a three-year agreement, with options to extend the contract term, for the acquisition and implementation of a Capital Improvement Project Portfolio & Project Management software system (CIP PPM System) with PMWeb, along with its implementation subcontractor, for an amount not to exceed eight hundred eighty two thousand dollars (\$882,000) over three years, including a 25-percent contingency with options to enter into an additional agreement with PMWeb or their authorized Business Partners in an amount not to exceed sixty nine thousand dollars (\$69,000) for professional services during years two and three to further enhance the system or to implement additional features.

Item: _____
Finance & Management Committee
June 25, 2019

The CIP PPM software system will add value to the day-to-day management of City construction projects for city-owned infrastructure, buildings, and other projects that require the use of a project management software system. Specifically, the CIP PPM system is needed to provide better planning, designing, contract management, project management, scheduling, supervision, and managerial oversight of City capital projects. The system will serve as a single-point of access and information for tracking projects through each critical phase and will aid management and staff in delivering projects on time and within budget. The system will provide powerful tools for calculating and tracking the performance of projects and performance metrics, and the CIP PPM system will provide greater transparency by interfacing with public-facing websites.

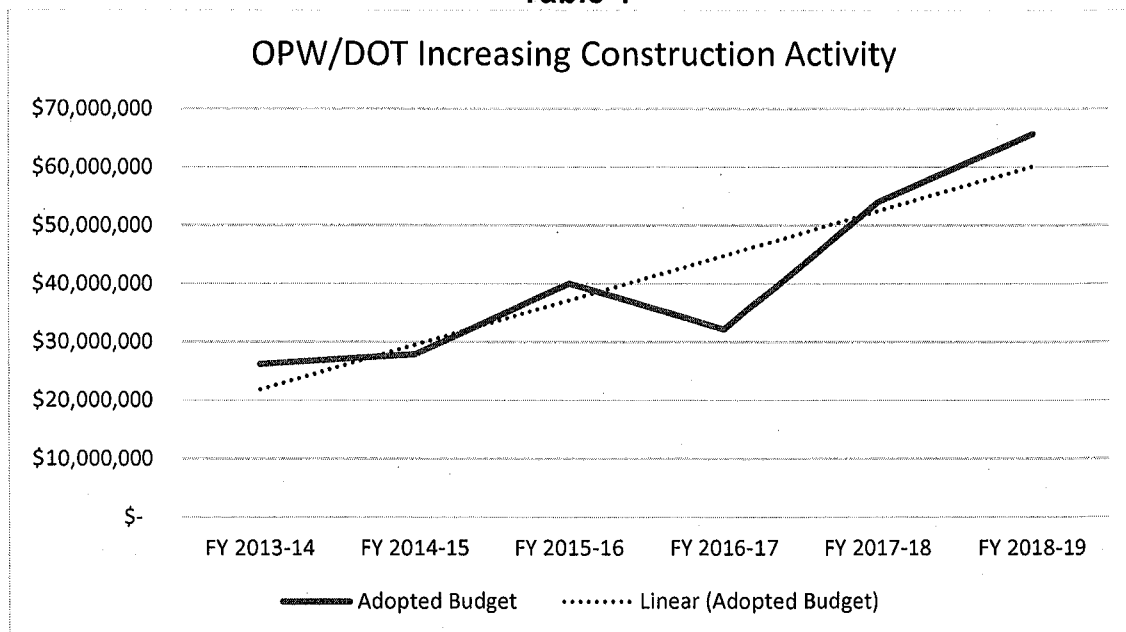
Oakland Public Works (OPW) and the Department of Transportation (DOT) will manage the contract in close cooperation with the Information Technology Department (ITD). Other project team members will include project management, engineering, and administrative staff from OPW, DOT and ITD, as well as management staff, and staff from PMWeb.

Staff solicited proposals via the issuance of a competitive Request for Proposal (RFP) process through which selection was based on functionality, capability of meeting the City's project management needs, ease of use, vendor and product track record. Two rounds of evaluation occurred, including a review and scoring of the written proposals and a scored software demonstration. OPW and DOT staff reviewed and scored six written proposals. Then, the top three ranking proposers were invited to present demonstrations. The demonstrations were scored by 22 OPW, DOT and ITD staff. PMWeb scored the highest in both rounds of review.

BACKGROUND / LEGISLATIVE HISTORY

The CIP budget and City construction activity has increased significantly since fiscal year (FY) 2013-14 through FY 2018-19, to roughly \$120 million (See Table 1). This is an upward trend that is expected to continue through upcoming budget cycles. DOT and OPW lack a CIP PPM system to track capital improvement project performance and milestones through each project phase. DOT and OPW manage capital projects, repair existing, and build new facilities and infrastructure. OPW and DOT staff currently utilize various bifurcated methods for tracking projects. OPW uses an antiquated Access Database that is cumbersome and difficult to use, and DOT utilizes a series of Excel spreadsheets to track projects which limits reporting functionality. The acquisition of a CIP PPM System is essential in ensuring management and staff can efficiently maintain visibility on existing and future projects, and to serve as a repository for completed projects and associated data.

Table 1



In November 2017, a cross functional team convened, including staff responsible for planning, designing, bidding and managing construction of City projects to identify the business need and functional requirements for the CIP PPM system. The team identified system requirements and prioritized those requirements into three delivery phases at the managerial and staff task levels.

In October 2018 OPW, DOT and ITD issued a joint request for proposal (RFP) for a CIP PPM system to meet the identified needs. Six firms responded to the RFP, including PMWeb, CIP Planner, EPM Solutions, E-Builder, DR McNatty, and Virtual Project Manager. The City's Local/Local Small Business Enterprise (L/SLBE) program requirements were waived for this project.

The six written proposals were reviewed and scored by a panel of one DOT Agency Administrative Manager, two OPW and DOT Division Managers, one shared DOT/OPW Project Manager, and one shared DOT/OPW Business Analyst III. The evaluative criteria included scoring the ability of each proposed system to meet the functional requirements listed in the RFP, the company's experience with similar technology project implementations, and a profile of the company's staff. The written proposal submitted by PMWeb had the highest average score and four of five reviewers ranked PMWeb as their first choice with the remaining reviewer ranking PMWeb second. The three highest-scoring proposing companies were invited to conduct a scored demonstration of their software solution. The three proposers chosen for live product demonstrations were PMWeb, CIP Planner, and EPM Solutions.

The demonstrations were reviewed by 22 staff, including end-users comprised of civil engineers, transportation engineers, assistant transportation engineers, CIP coordinators, engineering technicians, budget and grants administrator, business analyst III, project manager, technology program manager, supervising civil engineers, agency administrative manager,

information systems technology manager III, and project manager II. The demonstrations were evaluated for project lifecycle management; project, portfolio and executive level dashboards; reporting and analytical tools; ease of data input and the ability to customize input forms and workflows; risk management and issues tracking; document and contract management features; and, the overall ease of use for executives, management, staff, and system administrators. The demonstration conducted by PMWeb scored highest with 18 of 22 reviewers, with the remaining four ranking PMWeb second. PMWeb scored highest in the demonstration phase of the evaluation.

Under both reviews – the written proposal evaluation and software demonstration – PMWeb scored the highest and demonstrated that their solution is the best fit to meet OPW and DOT needs.

The proposed project team consists of PMWeb, as the prime implementation leader, and roughly two dozen OPW and DOT staff who will configure and implement the system in prioritized sprints. The PMWeb team will collaborate with City staff to prioritize feature deployment, lead configuration sessions, perform business analysis to establish processes and workflows, to configure the system and to teach administrators how to configure the system; develop reports, create custom reports and manage data transfer; develop and facilitate user training and acceptance testing. Each sprint will utilize OPW and DOT end-users to test the system and to gather feedback from end-users about workflows, data entry forms, and more.

PMWeb has several local government clients, including AC Transit, Santa Clara Valley Transit Authority, City of San Diego, Orange County Sanitation District, City of Spokane Washington, and other notable clients, such as Harvard University and UC Davis.

The system will be hosted by PMWeb, consistent with ITD's cloud-first strategy, and greatly reducing performance, reliability, security, backup, disaster recovery, and hardware concerns for ITD to manage.

ANALYSIS AND POLICY ALTERNATIVES

Currently OPW and DOT staff use various methods for tracking projects. OPW uses an antiquated Access Database that is cumbersome and difficult to use. DOT utilizes a series of Excel spreadsheets to track projects.

The proposed solution significantly enhances CIP coordination:

- Cross-divisional and inter-bureau workflow management and coordination as projects traverse phases and progress towards completion,
- Consolidated data gathering and analysis for projects,
- Dashboards for project managers, division managers, and executive management – departmental and higher,
- Easy-to-access listing of projects and their statuses, progress, fiscal metrics, and more,
- Improved plan review, comment and approval through automating routing, review and sign-off procedures,

- Improved project scheduling, resource loading, and tracking of time charged against projects,
- Improved RFP/RFQ coordination, bidding, proposal management and contract issuance, and
- Clear methods for tracking project issues, risks, and public inquiries.

Continuing to conduct CIP planning and project management work absent a tracking software system would be contradictory to best practices.

Waiver of Competitive Proposal Solicitation Process For Maintenance, Hosting, Functional Enhancement Products, and Professional Services Agreements

As discussed above, staff conducted a competitive multi-step solicitation process pursuant to Oakland Municipal Code (OMC) Sections 2.04.042 and solicited proposals from software providers to acquire a CIP PPM system. Staff is requesting that the City Council further authorize the City Administrator to have the option of entering into a license, maintenance, hosting, functional enhancement products and professional services agreements with PMWeb, Inc., or its authorized business partners, in an amount not to exceed \$69,000, without return to City Council.

Staff is further requesting that the City Council waive OMC section 2.04.042 competitive proposal solicitation requirement for these additional information technology professional services agreements and functional enhancement products for the continued support of the PMWeb Inc's System. The System will be a core technology system within OPW and DOT that will require additional functional enhancements post-implementation.

OMC section 2.04.042 D permits the City Council to waive the multiple-step solicitation requirement upon a Council finding and determination that it is in the City's best interest to do so. Staff recommends that the City Council find and determine that it is in the best interests of the City to waive the competitive solicitation requirement of OMC section 2.04.042 because of the reasons and circumstances discussed above.

FISCAL IMPACT

The cost of the CIP PPM system is spread across three calendar years and includes the cost of the software, hosting, licensing, consulting, and a 25-percent contingency. Approval of the resolution will authorize an agreement for the start-up costs not to exceed \$882,000 over three years, with \$616,088 being required in year one and \$133,318 being required in each of years two and three. The authorization to enter into an additional agreement with PMWeb or their authorized Business Partners for additional consulting hours to cover configurations to enhance the system or to deploy additional features that were not deployed in the initial year are also requested at roughly \$34,000 per year, and are included as separate line items below. Roughly \$168,000 will be included in the 2021-2022 budget cycle for the third year of the contract. Actual payment will be based on negotiated project milestones and deliverables.

The cost breakdown by year is as follow:

Table of Costs by Year

	Year 1 (FY19-20)	Year 2 (FY20-21)	Year 3* (FY21-22)	Year 4** (FY22-23)	Year 5** (FY23-24)
Software	\$113,500.00	\$3,000.00	\$3,000.00	\$3,030.00	\$3,030.00
Hosting	\$28,750.00	\$17,250.00	\$17,250.00	\$17,490.00	\$17,490.00
Licenses	\$99,500.00	\$99,500.00	\$99,500.00	\$102,335.00	\$102,335.00
Professional Services/Consulting	\$271,020.00				
25% Contingency (excl. license costs)	\$103,318.00	\$13,568.00	\$13,568.00	\$5,130.00	\$5,130.00
Subtotal	\$616,088.00	\$133,318.00	\$133,318.00	\$127,985.00	\$127,985.00
Consulting Agreement		\$34,020.00	\$34,020.00		
Total	\$616,088.00	\$167,338.00	\$167,338.00	\$127,985.00	\$127,985.00

*Funds for years 3 onward will be requested in later budget cycles.

** Years 4 and 5 demonstrate the costs of continued support and licensing assuming a 3-percent increase in costs.

The first two years of funding has been requested to be included in the FY 2019-2021 Proposed Biennial Budget, as shown below.

Source	FY19-20	FY20-21	FY21-22 (next budget cycle)	3 Yr. Total
OPW: 7760	\$320,860	76,750	\$76,750*	\$474,360
DOT: Mixed between 2215 and 2211	\$320,860	76,750	\$76,750*	\$474,360
Total	\$641,720	\$153,500	\$153,500	\$948,720

*Funds will be requested.

Specifically, funds will be available in the Grant Clearing Fund (7760), OPW Overhead Clearing Project (1001288) for OPW's share; and in Measure B: Local Streets & Roads (2211) and Measure F: Vehicle Registration (2215) Funds, DOT Administrative Project (1003469) for DOT's share. Funding for FY 2019-21 is contingent upon City Council's approval and adoption of the budget.

PUBLIC OUTREACH / INTEREST

A legal advertisement for the RFP for the CIP PPM System was published in the East Bay Times, Oakland Post, El Mundo, World Journal, and the Korea Times. Furthermore, as the actual system is purchased, configured, and implemented, it will facilitate enhanced transparency by enabling easy publishing of project information from OPW and DOT's portfolio of projects to public-facing websites.

COORDINATION

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

The RFP selection was conducted in coordination with the Information Technology Department, Oakland Public Works Department, and the Department of Transportation.

SUSTAINABLE OPPORTUNITIES

Economic: This project indirectly benefits the local economy by improving efficiencies through expanding the accountability and performance of City project management. The CIP PPM system will enhance efficient use of public funds for the construction of new or repairs to existing infrastructure and facilities owned by the City. The system will also streamline the planning, design, bidding, and construction phases of CIP work, realizing savings in the staff-time investments during each of these project phases. Continuing to conduct CIP planning and project management work absent a tracking software would be counter to best practices.

Environmental: The CIP PPM system will lend itself to enhanced tracking and management of projects for the City's sanitary sewer collection system, the stormwater collection system, watershed restoration, California Environmental Quality Act (CEQA) tracking, and brownfield remediation. The system would also enable increased compliance with the Environmental Protection Agency (EPA) Consent Decree for the rehabilitation and minor CIP work required for the sanitary sewer collection system.

Social Equity: The CIP PPM system will track the locations of proposed projects and projects that are under construction, which will allow improved analysis of the locations at which the City is making CIP investments, improved transparency for the public to check the status of projects online, improved planning for CIP repair work at City-owned facilities, and improved planning during the preparation of CIP budget proposals. The system will provide necessary data for informed decision-making that will incorporate recently updated and adopted CIP prioritization criteria that aims to enhance equitable investments in City-owned assets.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that Council authorize the City Administrator, or her designee, (1) to enter an agreement to purchase and implement a computerized CIP Portfolio Project Management system with PMWeb for an amount not to exceed \$882,00, with options for extending the contract term for additional years to support continued licensing and hosting; and, (2) with the option to enter into a license, maintenance, hosting, and professional services agreement with PMWeb, Inc., or its authorized business partners, in an amount not to exceed \$69,000, including the purchase of products that enhance PMWeb's system through additional functionality, without return to Council; and, (3) waive the competitive proposal solicitation requirement for the additional professional services agreement for continued support and/or products listed in (2) above.

For questions regarding this report, please contact Will Crowder, Business Analyst III (OPW), at 510-986-2629 or Ariel Espiritu Santo, Agency Administrative Manager (DOT) at 510-238-2098.

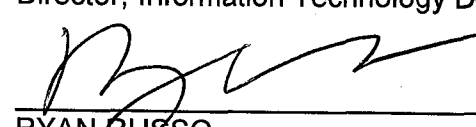
Respectfully submitted,



JASON MITCHELL
Director, Oakland Public Works Department



ANDREW PETERSON
Director, Information Technology Department



RYAN RUSSO
Director, Department of Transportation

Reviewed by:
John McCabe, Technology Program Manager

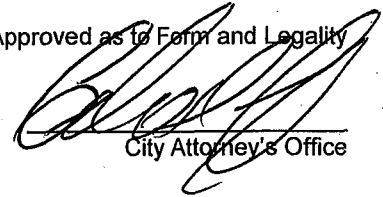
Prepared by:
Will Crowder, Business Analyst III

- Attachments (2):
- A. Availability Market Analysis Memorandum
 - B. CIP PPM Proposal Compliance Analysis

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2019 JUN 13 PM 2:30

Approved as to Form and Legality



City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR DESIGNEE, TO:

- (1) ENTER INTO AN AGREEMENT WITH PMWEB, INC. FOR A TERM BEGINNING SEPTEMBER 1, 2019, THROUGH DECEMBER 31, 2023, IN AN AMOUNT NOT TO EXCEED EIGHT-HUNDRED EIGHTY-TWO THOUSAND DOLLARS (\$882,000), INCLUDING A TWENTY FIVE PERCENT CONTINGENCY, FOR THE PURCHASE AND INSTALLATION OF A CAPITAL IMPROVEMENT PROJECT MANAGEMENT SYSTEM, SOFTWARE LICENSE, TRAINING AND SUPPORT FOR THE DEPARTMENT OF TRANSPORTATION AND THE OAKLAND PUBLIC WORKS DEPARTMENT;
- (2) WITH THE OPTION TO ENTER INTO A LICENSE, MAINTENANCE, HOSTING, AND PROFESSIONAL SERVICES AGREEMENT WITH PMWEB, INC., OR ITS AUTHORIZED BUSINESS PARTNERS, IN AN AMOUNT NOT TO EXCEED SIXTY-NINE THOUSAND DOLLARS (\$69,000), INCLUDING THE PURCHASE OF PRODUCTS THAT ENHANCE PMWEB INC. SYSTEM THROUGH ADDITIONAL FUNCTIONALITY, WITHOUT RETURN TO COUNCIL; AND,
- (3) WAIVE THE COMPETITIVE PROPOSAL SOLICITATION REQUIREMENT FOR THE ADDITIONAL PROFESSIONAL SERVICES AGREEMENT FOR CONTINUED SUPPORT AND/OR PRODUCTS LISTED IN (2) ABOVE

WHEREAS, the Oakland Public Works Department (OPW) and the Department of Transportation (DOT) lack a CIP Portfolio & Project Management software system (CIP PPM System) to plan, record, and track capital improvement construction project performance through each project phase and utilize; and

WHEREAS, DOT and OPW currently utilize various bifurcated and cumbersome applications to manage and track City construction projects and lack a centralized software solution for project management; and

WHEREAS, DOT and OPW maintain and construct Oakland's infrastructure and capital assets, including streets, sidewalks, sewers, storm drains, and associated

appurtenances; facilities, buildings, structures, parks, recreation centers, libraries, and other public buildings and spaces; and

WHEREAS, as CIP spending increases and construction projects increase in volume, it is necessary to acquire a system to consolidate project data and to provide executive and managerial level access to project performance data; and

WHEREAS, improvements and efficiencies will be realized in the general workflow and performance of City projects in terms of timeliness and budget, cloud-based computing, and data visualization and analysis; and

WHEREAS, a competitive multi-step solicitation process was followed pursuant to OMC Sections 2.04.042 to solicit proposals from software providers to acquire a CIP PPM system; 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 PMWeb, Inc., or its authorized business partners, for additional professional services and/or products to further enhance PMWeb post-implementation in the amount of sixty-nine thousand dollars (\$69,000); now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City Administrator, or designee, to: (1) enter into an agreement with PMWeb, Inc. beginning September 1, 2019 through December 31, 2023, in an amount not to exceed eight-hundred eight-two thousand dollars (\$882,000), including a twenty five percent contingency, for the purchase and installation of a capital improvement project management system for the Department of Transportation and the Oakland Public Works Department, including licensing agreements, and professional services for configuration, installation, training; and, (2) with the option to enter into license, maintenance, hosting and professional services agreements with PMWeb, Inc, or its authorized business partners, for continued professional services in an amount not to exceed sixty-nine thousand dollars (\$69,000), including the purchase of for professional services and/or products that enhance PMWEB Inc. system through additional functionality, without return to Council; and, (3) waive the competitive proposal solicitation requirement for the additional professional services agreement for continued support and/or products listed in (2) above.

FURTHER RESOLVED: That the City Council hereby finds and determines that it is in the best interests of the City to waive the competitive proposal solicitation requirement under OMC section 2.04.042 for the agreements set forth in sub part (2) of the above Resolved recital, because PMWeb Inc's System will be a core technology system within OPW and DOT that will require additional functional enhancements post-implementation; and the reasons set forth in the staff report that accompanies this

Resolution, and so hereby waives this requirement; and To Waive The Competitive Proposal Solicitation Requirement For The Above Listed Professional Services Agreements for Continued Support; and be it

FURTHER RESOLVED: That funds necessary in FY 2019-21 will be available in the Grant Clearing (Overhead) Fund (7760), OPW Overhead Clearing Project (1001288) for OPW's share; and in Measure B: Local Streets & Roads (2211) and Measure F: Vehicle Registration (2215) Funds, DOT Administrative Project (1003469) for DOT's share. Funding for FY 2019-21 is all contingent upon Council's approval and adoption of the budget; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to execute any amendments or modifications to said agreement, including an extension of the contract term, with the exception of amendments or modifications 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 - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California