



**Council Meeting: August 31, 2010**

**SUBJECT: Award of Contract to Provide and Install a Computerized Maintenance Management System for the Department of Public Works (F0912-59)**

**BACKGROUND**

Approval is requested for the award of a contract in the amount of \$201,913, including applicable taxes, to Maintenance Connection, Inc., of Davis, California, to provide and install a Computerized Maintenance Management System, and for a 10% project contingency in the amount of \$20,191.

The Public Works Department will initially utilize the computerized maintenance management system (CMMS) to issue work orders for water distribution, wastewater collection and storm water collection. This system also has the capability to be expanded, as future funding allows, to include other City operations such as traffic signals, street striping, facilities and parks. The system will enable the department to plan and schedule work based upon an annual work plan that includes service levels, inventory data, average daily productivity, crew sizes, labor, material and equipment requirements, and costs, and to develop and analyze annual work plans that provide consistent levels of service throughout the City's Public Works infrastructure.

**DISCUSSION**

A Request for Proposal (RFP) was developed by Finance, Public Works, and Information Technology staff. The RFP process was selected because, unlike an Invitation for Bids, it allows for consideration of factors in addition to cost during proposal evaluation. Proposals were evaluated based upon the following criteria:

- Extent of Compliance to the Application Software Specifications
- Overall System Functionality
- Implementation Plan and Support
- Availability and Quality of Ongoing Training
- Proposer's Experience, Capability and Customer Focus
- Project Cost

On February 1, 2010 Request for Proposals (RFP) No. F00912-59 was issued and directly distributed to twelve firms known to have participated in similar projects. In addition, the RFP was advertised on the City's website and notification of the project was distributed to other potential consultants through the Onvia DemandStar public procurement network. Thirty firms requested proposal documents. On March 3, 2010 five responsive proposals were received, as follows:

<b><u>Proposer</u></b>	<b><u>Purchase Cost</u></b>
GBA Master Series, Inc., Overland Park, Kansas	\$248,890
Maintenance Connection, Inc., Davis, California	\$201,913
MaintStar, Inc., of Irvine, California	\$235,125
TMA Systems, LLC, Tulsa, Oklahoma*	\$235,265
VUEWorks, Inc., Concord, New Hampshire	\$144,622
*TMA Systems also offered a Platinum Package for an additional \$14,023	

The purchase cost consists of the following components: system software, installation, documentation, training and first year maintenance. Proposers were also asked to provide maintenance and support pricing for an additional four years; costs ranged from approximately \$63,000 to \$147,000 (or between \$15,750 and \$36,750 annually).

An evaluation committee was led by the Department of Finance and included representatives of the Department of Public Works, the Office of the City Manager, and the Information Technology Department. Following a comprehensive review of the written proposals, all five proposers were invited to attend an onsite interviews to discuss their proposals. The committee agreed that the proposal submitted by Maintenance Connection offers the best value to the City for the following reasons:

- All functionality requirements were met or exceeded.
- The system can be customized to meet the City's needs.
- Will integrate with the City's GIS, e-mail, Human Resources, and SCADA systems.
- System is scalable and can be deployed to other City departments.
- The system includes robust integrated reporting capability.
- Product reflected substantial experience with the requirements of public sector clients.

Though the VUEWorks proposal was the lowest priced, the evaluation committee concluded that the system did not meet the City's requirements for employee/preventive maintenance scheduling, or importing/converting data. Additionally, many of the system's features were identified as "planned future enhancements" and not a part of the standard, off the shelf product. Based upon the information presented above, staff recommends award of a contract to Maintenance Connection, Inc. to provide and install the computerized maintenance management system.

### **FISCAL IMPACT**

Total contract cost is \$201,913. This covers license fees, implementation services and maintenance fees for the first year. Implementation for the Public Works Field Services Division is anticipated to take forty-five days. Budgeted funds are available in the Information Processing Software Equipment Replacement Fund.

A separate contract will be issued for ongoing maintenance and support costs beyond year one, as budgeted in Program 746, Software Application Services and Support. Costs are not anticipated to exceed \$20,000 annually for the next five years.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

### **RECOMMENDATION**

It is recommended that Council:

1. Award a contract, in substantially the same form as the attached draft and in an amount not-to-exceed \$201,913, to Maintenance Connection, Inc., to provide and install a computerized maintenance management system for the Department of Public Works; and
2. Approve a project contingency in the amount of \$20,191.

Reviewed by:

Grace K. Leung, Acting Director of Finance  
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by:

Cuong Nguyen  
Director, Information Technology

Reviewed by:

Marvin Rose  
Director, Public Works

Approved by:

Gary M. Luebbers  
City Manager

**Attachments**

A. Draft Agreement for Services

**ATTACHMENT A**  
**DRAFT**  
**SERVICE AGREEMENT BETWEEN THE CITY OF SUNNYVALE**  
**AND MAINTENANCE CONNECTION, INC.**  
**TO PROVIDE AND INSTALL A COMPUTERIZED MAINTENANCE**  
**MANAGEMENT SYSTEM FOR THE**  
**DEPARTMENT OF PUBLIC WORKS**

THIS AGREEMENT, dated \_\_\_\_\_, is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY"), and MAINTENANCE CONNECTION, INC. of Davis, California ("CONTRACTOR").

WHEREAS, on February 1, 2010, CITY issued Request for Proposals No. F0912-59; and

WHEREAS, CONTRACTOR has submitted a proposal in response to this Request for Proposals; and

WHEREAS, CITY has determined that CONTRACTOR's proposal offers the best value to CITY;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS AGREEMENT.

1. Contract Documents

The complete Contract consists of the following documents: Request for Proposals No. F0912-59, consisting of a Notice Inviting Proposals, Instructions to Proposers, Specifications, Terms and Conditions; CONTRACTOR's completed Proposal; Exhibit A, Revised Proposal; and Exhibit B, Payment Milestones. These documents are all incorporated by reference. The documents comprising the complete contract are collectively referred to as the Contract Documents.

Any and all obligations of the CITY and the CONTRACTOR are fully set forth and described therein.

All of the above documents are intended to cooperate so that any work called for in one and not mentioned in the other or vice versa is to be executed the same as if mentioned in all documents.

2. Services

CONTRACTOR agrees to furnish all software, training documents, labor, transportation, and material necessary to perform and complete in a good and workmanlike manner, the work of completing a computerized maintenance management system as required by the Contract Documents. It is understood and agreed that the work performed, as required by the Contract Documents, be completed under the sole direction and control of the CONTRACTOR, and subject to inspection and approval of the City.

3. Duties of CITY

CITY shall supply any documents or information available to CITY required by CONTRACTOR for performance of its duties. Any materials provided shall be returned to CITY upon completion of the work.

4. Compensation

CITY agrees to pay CONTRACTOR a total not to exceed amount of two hundred one thousand nine hundred thirteen and no/100 dollars (\$201,913.00).

Payment for products and services will be based on key milestones as outlined in Exhibit B, Payment Milestones.

CONTRACTOR shall submit invoices to CITY to be paid within thirty (30) days upon receipt of an accurate, itemized invoice by CITY'S Accounts Payable Unit.

5. Conflict of Interest

No officer or employee of CITY shall have any interest, direct or indirect, in this Agreement or in the proceeds thereof. During the term of this Agreement CONTRACTOR shall not accept employment or an obligation which is inconsistent or incompatible with CONTRACTOR's obligations under this Agreement.

6. Confidential Information

CONTRACTOR shall maintain in confidence and at no time use, except to the extent required to perform its obligations hereunder, any and all proprietary or confidential information of CITY of which CONTRACTOR may become aware in the performance of its services.

7. Compliance with Laws

- (a) CONTRACTOR shall strictly adhere to all state and federal laws with respect to discrimination in employment and shall not discriminate against any individual on the basis of race, color, religion, gender, sexual orientation, marital status, national origin, age or disability.
- (b) CONTRACTOR shall comply with all federal, state and city laws, statutes, ordinances, rules and regulations and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of the Agreement.

8. Independent Contractor

CONTRACTOR is acting as an independent contractor in performing the work required by this Agreement and is not an agent, servant or employee of CITY. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between CITY and CONTRACTOR. CONTRACTOR is responsible for paying all required state and federal taxes.

9. Indemnity

CONTRACTOR shall indemnify, defend, and hold harmless the CITY, its officers, officials, employees and volunteers from and against all reasonable claims, damages, losses and expenses, including reasonable attorney fees, arising out of the performance of the services described in the Contract Documents, caused in whole or in part by any negligent act or omission of CONTRACTOR, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence or willful misconduct of the CITY.

10. Hold Harmless

CONTRACTOR agrees to defend, save, indemnify and hold harmless Owner and all its officers, employees, and agents, against any and all liability, claims, judgments, or demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation arising through the active negligence or willful misconduct of Owner, or of Owner's officials, agents, employees, servants, or independent contractors who are directly responsible to Owner. Contractor shall make good and reimburse Owner for any expenditures, including reasonable attorneys' fees, Owner may make by reason of such claim or litigation, and, if requested by Owner, Contractor shall defend any such suits at the sole cost and expense of Contractor.

11. Insurance

CONSULTANT shall take out and maintain during the life of this Agreement policies of insurance as specified in Exhibit "C" which is attached and incorporated by reference, and shall provide all certificates or endorsements as specified in Exhibit "C."

12. CITY Representative

Jim Craig, Department of Public Works, as City Manager's authorized representative, shall represent CITY in all matters pertaining to the services to be rendered under this Agreement. All requirements of CITY pertaining to the services and materials to be rendered under this Agreement shall be coordinated through the CITY representative.

13. CONTRACTOR Representative

Maintenance Connection, Inc. Vice President, Business Development shall represent CONTRACTOR in all matters pertaining to the services and materials to be rendered under this Agreement. All requirements of CONTRACTOR pertaining to the services to be rendered under this Agreement shall be coordinated through the CONTRACTOR representative.

14. Notices

All notices required by this Agreement, other than invoices for payment which shall be sent directly to Accounts Payable, shall be in writing, and shall be personally delivered, sent by first class with postage prepaid, or by sent by commercial courier, addressed as follows:

To CITY:

Jim Craig, Field Services Superintendent  
Department of Public Works  
CITY OF SUNNYVALE  
P. O. Box 3707  
Sunnyvale, CA 94088-3707

To CONTRACTOR:

Brad Squires, VP, Business Development  
Maintenance Connection, Inc.  
1477 Drew Avenue, Suite 103  
Davis, CA 95616

Nothing in this provision shall be construed to prohibit communication by more expedient means, such as by telephone or facsimile transmission, to accomplish timely communication. However, to constitute effective notice, written confirmation of a telephone conversation or an original of a facsimile transmission must be sent by first class mail or commercial carrier, or hand delivered.

Each party may change the address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of three days after mailing, unless such date is a date on which there is no mail service. In that event communication is deemed to occur on the next mail service day.

15. Assignment

Neither party shall assign or sublet any portion of this Agreement without the prior written consent of the other party.

16. Termination

If CONTRACTOR defaults in the performance of this Agreement, or materially breaches any of its provisions, CITY at its option may terminate this Agreement by giving written notice to CONTRACTOR. If CITY fails to pay CONTRACTOR, CONTRACTOR at its option may terminate this Agreement if the failure is not remedied by CITY within thirty (30) days after written notification of failure to pay.

Without limitation to such rights or remedies as CITY shall otherwise have by law, CITY also shall have the right to terminate this Agreement for any reason upon ten (10) days' written notice to CONTRACTOR. In the event of such termination, CONTRACTOR shall be compensated in proportion to the percentage of services

performed or materials furnished (in relation to the total which would have been performed or furnished) through the date of receipt of notification from CITY to terminate. CONTRACTOR shall present CITY with any work product completed at that point in time.

17. Entire Agreement; Amendment

The Contract Documents constitute the entire agreement between the parties relating to the services to be performed or materials to be furnished hereunder. No modification of this Agreement shall be effective unless and until such modification is evidenced by writing signed by all parties.

18. Miscellaneous

Time shall be of the essence in this Agreement. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. This Agreement shall be governed and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By \_\_\_\_\_  
City Clerk

By \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

MAINTENANCE CONNECTION, INC.  
("CONTRACTOR")

By \_\_\_\_\_  
City Attorney

By \_\_\_\_\_  
\_\_\_\_\_  
Title and Date

By \_\_\_\_\_  
\_\_\_\_\_  
Title and Date

**EXHIBIT A  
REVISED PROPOSAL**

**MC Proposal - Purchased Option**

Quote # 08262010-A

Maintenance Connection, Inc.  
1477 Drew Ave, Suite 103  
Davis, CA 95616  
888-567-3434 fax 775-255-6324



**SOFTWARE/SERVICE QUOTE**

Customer  City of Sunnyvale	Sales Contact Brad Squires 888-567-3434 ext. 89 bsquires@maintenanceconnection.com	Dates Date Issued 28-Aug-10 Valid Until 26-Sep-10

Software Licensing	Qty	Unit Price	TOTAL
<b>Maintenance Connection Enterprise Edition</b> Includes thirty five (35) concurrent software licenses for all modules within MRO WorkCenter, Technician WorkCenter and access to Reporter application. Modules include asset tracking, PM scheduling, work order tracking, parts inventory management, tool check-in/check-out, configurable access groups, and much more.	1	\$ 87,465.00	\$ 87,465.00
<b>Additional Concurrent Administrative Licenses</b>	0	\$ 2,799.00	\$ -
<b>Software Add-Ons / Options</b>			
<b>Service Requester Application (Unlimited Users)</b> Allow end-users to submit maintenance requests electronically to the maintenance department for review. Service requesters can also check the status of these requests with a web browser.	1	\$ 2,999.00	\$ 2,999.00
<b>Agent / Rules Manager (Windows Service)</b> Automated rules-based email notification and labor assignments. Create rules to automate business processes. Schedule any base report or custom report to be sent automatically on a schedule via email. Develop automatic notifications based upon overall maintenance performance metrics, and receive notifications when metrics are outside of a predefined range.	1	\$ 3,999.00	\$ 3,999.00
<b>GIS Connector Toolset</b> Integration tools designed to interface Maintenance Connection's asset and WO data to GIS map data. Integration can occur using either a direct database connection to the a geodatabase, or a file-based approach using shape (.SHP) files. Integration can occur automatically via a scheduled process, or manually. Additional configuration services will apply to set this module up properly.	1	\$ 4,999.00	\$ 4,999.00
<b>LDAP Connector Kit</b> Server component to communicate with an LDAP server. This tool will synchronize customers back office user information and allow for single sign-on into the Maintenance Connection application.	1	\$ 4,999.00	\$ 4,999.00
<b>Mobile Application Server [Wireless Edition - Unlimited Users]</b> Application server to communicate with MC Mobile clients. The mobile application server is required to utilize MC Mobile. The Wireless Edition is accessed via mobile web browser and does not store any data on the device, thus requires a live internet or VPN connection to the web server.	1	\$ 4,999.00	\$ 4,999.00
<b>Software Licensing - Total</b>			\$ 109,460.00

Professional Services*	Qty (Days)	Daily Rate	TOTAL
<b>Business Process Review / Needs Documentation</b> Will include project kick-off and planning meetings, needs assessment workshops and project initiation. This will also include ongoing application configuration and acceptance testing.	4	\$1,350 / day	\$ 5,400.00
<b>Data Definition / System Configuration</b> Assist with reviewing, refining and implementing business process into Maintenance Connection software. Configure various aspects of the software such as auto-email rules, reporting requirements, and security access within the software.	4	\$1,350 / day	\$ 5,400.00

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<p><b>End-User Training - Main Users</b>  <i>Training can be done online via web conference or onsite with key project staff. The primary users will receive training on all necessary aspects of Maintenance Connection. Training will be tailored to walk customer through step-by-step how each primary function is performed within Maintenance Connection.</i></p>	5	\$1,350 / day	\$	6,750.00
<p><b>End-User Training Technician Sessions</b>  <i>Training sessions will be developed for end-users (technicians, supervisors) to describe the basics of how to perform their job functions using Maintenance Connection. This training will be designed to address a "basic" level of access into the system.</i></p>	3	\$1,350 / day	\$	4,050.00
<p><b>Follow-up Training / Report Development</b>  <i>Follow-up meetings post go-live to insure project goals are being met. Session will also be used to create various reports using MC Reporter based upon data being collected within system.</i></p>	3	\$1,350 / day	\$	4,050.00
<p><b>Data Conversion</b>  <i>Data conversion from standard MC import template (XLS) file. This will cover the conversion of data as outlined in the data conversion section of the RFP.</i></p>	3	\$1,350 / day	\$	4,050.00
<p><b>GIS Configuration Services</b>  <i>Services to map current GIS database and files to CMMS.</i></p>	5	\$1,350 / day	\$	6,750.00
<p><b>Product Installation / Testing</b>  <i>Onsite software, database and reporting engine installation. Ongoing application testing.</i></p>	2	\$1,350 / day	\$	2,700.00
<p><b>ESTIMATE: System Integration (Novell Groupwise)</b>  <i>Custom developments and system integrations must be scoped out further. However, this is our estimate based upon previous experience and the high-level project scope.</i></p>	1	\$1,350 / day	\$	1,350.00
<p><b>ESTIMATE: System Integration (HR - Payroll)</b>  <i>Custom developments and system integrations must be scoped out further. However, this is our estimate based upon previous experience and the high-level project scope.</i></p>	2	\$1,350 / day	\$	2,700.00
<p><b>ESTIMATE: System Integration (monitoring systems)</b>  <i>Custom developments and system integrations must be scoped out further. However, this is our estimate based upon previous experience and the high-level project scope.</i></p>	4	\$1,350 / day	\$	5,400.00
<p><b>ESTIMATE: System Integration (pavement management)</b>  <i>Custom developments and system integrations must be scoped out further. However, this is our estimate based upon previous experience and the high-level project scope.</i></p>	3	\$1,350 / day	\$	4,050.00
<p><b>ESTIMATE: System Integration (state mandated systems)</b>  <i>Custom developments and system integrations must be scoped out further. However, this is our estimate based upon previous experience and the high-level project scope.</i></p>	2	\$1,350 / day	\$	2,700.00
<p><b>ESTIMATE: System Integration (SCADA)</b>  <i>Custom developments and system integrations must be scoped out further. However, this is our estimate based upon previous experience and the high-level project scope.</i></p>	4	\$1,350 / day	\$	5,400.00
<p><b>Consultant Travel Reimbursement</b>  <i>Estimated based upon 5 onsite visits to Sunnyvale, CA. Will attempt to use local CA resources if available. Travel expenses will be invoices as incurred.</i></p>		NTE	\$	12,000.00
<b>Professional Services - Total</b>	<b>45 Days</b>		<b>\$</b>	<b>72,750.00</b>

\* NOTE: The way each of these services days are used may change. The items listed above are designed to provide a basic assumption of how this block of days can be used, however these days can be utilized in whatever way the customer would prefer.

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Annual Support Contract	Price	TOTAL
<b>MC Technical Support Plan (18% of license fee)</b> Support includes unlimited toll-free technical support, software maintenance and quarterly upgrades. Support is renewable annually, and is an optional service contract provided by Maintenance Connection.	\$ 19,702.80	\$ 19,702.80
<b>Total Annual Support Contract</b>		<b>\$ 19,702.80</b>

**Software Licensing Costs: \$ 109,460.00**  
**Implementation Costs: \$ 72,750.00**  
**Annual Support Contract: \$ 19,702.80**  
**Total First Year Cost: \$ 201,912.80**  
**Future Annual Cost: \$ 19,702.80**

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- 1) Professional services days can be used in way for installation and setup, analysis, design, implementation, training or custom programming (interfaces). Travel not included for on-site services.
  - 2) Source code for Maintenance Connection will be provided upon purchase. Upon each new release, if Customer is under support contract, source code for new releases will be provided as well.
  - 3) Payment terms will be NET 30. Invoice will reflect software licensing + implementation services and first year recurring fees.
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I agree to the terms of this proposal, and agree to pay this amount for Maintenance Connection software and services to implement the solution:

Signature \_\_\_\_\_ Date \_\_\_\_\_ PO \_\_\_\_\_

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## EXHIBIT B

### Payment Milestones

Payment for products and services will be based on the following key milestones:

1. Software Installation – 75% (\$82,095.00) of Licensing Fees upon submittal of invoice after completion of software installation.
2. Professional Services – Monthly upon submittal of invoices as services are performed (\$60,750.00, plus \$12,000 for travel reimbursement as necessary to complete installation).
3. Annual Support Contract - 18% of Licensing Fees (\$19,702.80) upon submittal of invoice after system goes live.
4. Project Acceptance – 25% (\$27,365.00) of Licensing Fees paid upon submittal of invoice after completion of acceptance testing.

**EXHIBIT "C"**  
**CITY OF SUNNYVALE**  
**INSURANCE REQUIREMENTS**

SUPPLIER shall obtain, at its own expense and from an admitted insurer authorized to operate in California, the insurance coverage detailed below and shall submit Certificate(s) of Insurance to the City of Sunnyvale, Purchasing Division, 650 West Olive Ave, PO Box 3707, Sunnyvale, CA 94088-3707; fax (408) 730-7710.

SUPPLIER shall take out and maintain during the life of the contract **Workers' Compensation** insurance coverage to statutory limits as may be required by law.

SUPPLIER shall take out and maintain during the life of the contract such **Commercial General Liability Insurance** as shall protect SUPPLIER, CITY, its officials, officers, directors, employees and agents from claims which may arise from services performed under the contract, whether such services are performed by SUPPLIER, by CITY, its officials, officers, directors, employees or agents or by anyone directly or indirectly employed by either. The amount of insurance shall not be less than the following: Single Limit Coverage Applying to Bodily and Personal Injury Liability and Property Damage: \$1,000,000.

The liability insurance shall include, but shall not be limited to:

- Protection against claims arising from bodily and personal injury and damage to property, resulting from SUPPLIER's or CITY's operations and use of owned or non-owned vehicles.
- Coverage on an "occurrence" basis.
- Broad form property damage liability. Deductible shall not exceed \$5000 without prior written approval of CITY.
- Notice of cancellation to CITY's Purchasing Division at least thirty (30) days prior to the cancellation effective date.

The following endorsements shall be attached to the liability insurance policy, and copies shall be submitted with the Certificate(s) of Insurance:

- The policy must cover complete contractual liability. Exclusions of contractual liability as to bodily injuries, personal injuries and property damage must be eliminated.
- "CITY, its officers, officials, employees and volunteers" must be named as an additional named insured with respect to the services being performed under the contract. *Simply indicating on the certificate that the certificate holder is named as additional insured is not acceptable; an endorsement must be provided.*
- The coverage shall be primary insurance so that no other insurance effected by CITY will be called upon to contribute to a loss under this coverage.