



INNOVATION TECHNOLOGY DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3223 • FAX: (408) 777-3366
CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: March 7, 2023

Subject

Consider authorizing the City Manager to execute a services agreement with Azteca Systems, LLC., for Cityworks, Cupertino's Asset Management System subscription service, for \$217,502.63, plus a contingency of \$21,750.26 for a total cost of \$239,252.89 over three years

Recommended Action

1. Authorize the City Manager to execute a services agreement with Azteca Systems, LLC., for Cityworks, Cupertino's Asset Management System subscription service, for \$217,502.63, plus a contingency of \$21,750.26 for a total cost of \$239,252.89 over three years.
2. Find under Municipal Code section 3.22.060(B). that the formal competitive bidding procedures are impractical for procurement.

Reasons for Recommendation

Cityworks Asset Management Systems is a scalable GIS-Centric asset management platform Public Works utilizes throughout the entire asset management workflow: from data collection and work management – work order, service requests, inspections, preventative maintenance, inventory management, labor, and material management to regulatory reporting, analytics, and strategic planning. Cityworks, a Trimble company, is the leading GIS-centric solution for public asset management, fully leveraging the power of Esri® ArcGIS® to help communities work smarter and better serve their residents.

Cupertino initially procured the Cityworks application in 2009 from Azteca Systems, LLC, and proceeded to implement each Operations asset group from a paper management system to a digital GIS-Centric Management System.

Over the past 13 years Cupertino has invested considerable staff resources and time in implementing each asset group of Cupertino's Public Works Operations Division as well as optimizing workflows and GIS data structure to fully capture all aspects of asset management both in the office and in the field. Moving from a

reactive paper-based system to a proactive, dynamic GIS-Centric digital management system allows for analysis and strategic planning. In 2017 the city implemented Cupertino's 311 system CitySourced and integrated it with Cityworks. This allowed our operations staff to manage their entire work process through Cityworks and streamlined the process of a resident submitting a request to our staff receiving and responding to that request. A citizen submits a request to repair a pothole. That request goes directly to the Cityworks inbox of the staff member that manages potholes. Public Works create a related work order to complete the work and close out the service request all within Cityworks.

In 2018 the city integrated its fuel management system, Fuel Master, with Cityworks. This allows us to trigger preventative maintenance work orders on a vehicle over a set number of miles or hours since the last service. Effectively ensuring vehicles are brought in for regular service. In 2020 Cupertino integrated its Telematics system, GeoTab, to create work orders in Cityworks when there is an engine or battery diagnostic fault triggered. Analytics are critically important in an asset management system. Cupertino has spent extensive staff hours working with Supervisors and Management to develop numerous dashboards and reports staff rely on for strategic & tactical planning, reporting, performance measures, and budget analysis.

Today, Cupertino's Implementation of Cityworks is an award-winning model for government agencies, specifically in the areas of deployment, configuration, and interface development. As a testament to our success, Cupertino is called upon yearly to conduct numerous Cityworks demos and presentations to assist other local governments in their day-to-day use of this software application.

Due to the long-term success and value of Cityworks, the staff's knowledge of competing asset management solutions, and the significant resources that have been expended integrating Cityworks with other applications, Innovation & Technology highly recommends continuing with the Cityworks application and foregoing searching for a different application. To replace the existing Cityworks applications with either in-house developed solutions or other vendor-competing products would greatly increase the cost due to additional implementation, training, and integration fees.

The last three-year contract with Azteca ended in 2018. Due to the explosive growth in use since that time, the City has renewed one-year terms with Cityworks after 2018. With a site license in place and all asset groups utilizing Cityworks, there is enough certainty to negotiate pricing for a three-year contract.

Staff recommends that Council approve the execution of a three-year contract with Azteca to provide for efficient, uninterrupted operations for Cupertino’s Public Works operation. Due to the advantages of continued use of the Cityworks application, staff recommends that Council make the findings required under Municipal Code section 3.22.060(B) and approve the waiver of competitive bidding procedures under Chapter 3.22.¹

Sustainability Impact

Cityworks software has reduced the volume of paper used for work management, conserving natural resources, and reducing greenhouse gases generated during the production and disposal of paper. When possible, staff leverages the improved software to assign and respond to work requests. Implementation of paperless office strategies like this one is prioritized in Cupertino’s Climate Action Plan (M-SW-1).

Fiscal Impact

The cost of Cityworks standard enterprise license for the next three years is \$217,502.63. The table below outlines the Cityworks license cost.

Year	Price	Services Provided
FY22-23	\$71,070.00	Standard Cityworks Enterprise License
FY23-24	\$72,491.40	Standard Cityworks Enterprise License
FY24-25	\$73,941.23	Standard Cityworks Enterprise License

City staff recommends adding a 10% contingency to cover additional user licensing and services bringing the total Council request to \$239,252.89 over three years.

California Environmental Quality Act

Not applicable.

Prepared by: Teri Gerhardt, GIS Manager

Reviewed by: Bill Mitchell, Chief Technology Officer

Approved for Submission by: Pamela Wu, City Manager

¹ Municipal Code section 3.22.060(B) authorizes the waiver of competitive bidding procedures if “pursuant to a written recommendation of the City Manager, the City Council finds that the use of the formal competitive bidding procedure is not practical due to limitations on source of supply, necessary restrictions in specifications, necessary standardization, quality considerations, or if other valid reasons for waiving the formal competitive bidding process procedures appear.”

Attachments:

- A – Cityworks 2022 Order Form and Terms and Conditions
- B – Sole Source Letter
- C – Insurance Requirements
- D - Proof of Insurance