



APPROVED

NOV 9 1999

**OFFICE OF THE
CITY CLERK**

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DEPARTMENT OF
UTILITIES
FIELD SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

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SACRAMENTO, CA
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October 28, 1999

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: EXECUTION OF CONTRACT SERVICES AGREEMENT WITH HANSEN
INFORMATION TECHNOLOGY, INC., FOR AN AMOUNT NOT TO EXCEED
\$251,645**

LOCATION AND COUNCIL DISTRICT: All Districts; City wide

RECOMMENDATION:

Staff recommends that the City Council approve the attached resolution authorizing the City Manager and City Clerk to execute the attached Contract Services Agreement with Hansen Information Technology, Inc. for an amount not to exceed \$251,645

CONTACT PERSON: Phillip Lum, Information Analyst II, 433-6938
Bert McCollam, Field Services Division Manager, 433-6645

FOR COUNCIL MEETING OF: November 9, 1999

SUMMARY:

The Department of Utilities request the City Manager and City Clerk be authorized to execute the attached Contract Services Agreement to allow the Department of Utilities to purchase a software upgrade and enhancements for the Field Services Division's current infrastructure management system. The upgrade and enhancements will ensure the Field Services Division's Infrastructure Management System is compatible with other City information and engineering systems and is Y2K compliant. The upgrade and enhancements will also allow the water distribution system's inventory to be incorporated and allow for compatibility of record keeping, data entry, software and hardware, information retrieval, and reports. The Customer Service Sections will also be integrated into the upgraded system.

SECRET

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CONFIDENTIAL

1. The following information was obtained from a confidential source who has provided reliable information in the past.

2. The source has advised that the following information is true and correct.

3. The source has advised that the following information is true and correct.

4. The source has advised that the following information is true and correct.

5. The source has advised that the following information is true and correct.

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COMMITTEE/COMMISSION ACTION:

None

BACKGROUND INFORMATION:

The Department of Utilities is requesting authorization to purchase software upgrades and enhancements for the current Hansen Infrastructure Management System (IMS) software. The upgrade and enhancements will ensure IMS is compatible with other City information and engineering systems and is Y2K compliant. The upgrade and enhancements will also allow the water distribution system's inventory to be incorporated into the upgraded system and allow for compatibility of record keeping, data entry, software and hardware, information retrieval, and reports. The Customer Service Sections will also be integrated into the upgraded system to allow better tracking and resolution of customer complaints and requests. The present IMS system which was purchased in 1987, is not Y2K compliant, and will no longer be supported after December 31, 1999. Therefore, it is important that the system be upgraded prior to January 1, 2000.

In 1987, the Department of Utilities purchased IMS to keep track of inventory components associated with the operations and maintenance of the sewer and storm water collection systems. During the past several years, Department of Utilities management and City Technology staff recognized that there was a need to incorporate the water distribution system inventory and customer service requests into the database. Furthermore, the Department of Utilities needs to upgrade and enhance the present system because:

- ▶ it was created for the older computer technology available in 1987
- ▶ it is not Y2K compliant
- ▶ it will not be supported by Hansen after December 31, 1999
- ▶ it has performance problems due to increasing volume of data
- ▶ it poorly integrates with GIS software used throughout the City
- ▶ it is not integrated with field map books
- ▶ it does not allow automation of the Water Distribution and Customer Service Sections

With the assistance of Westin Engineering, a consulting company with technological expertise, four different vendors were invited to demonstrate their products to the Department of Utilities. The four vendors and their products were:

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<u>Vendor</u>	<u>Product</u>
Hansen Information Technologies	IMS
Project Software & Development, Inc.	Maximo
TSW International, Inc.	MPAC
RJN Group, Inc.	Cass Works

The four demonstrations yielded two capable candidates, Hansen and RJN. After further research and site visits with both companies, Hansen was chosen as the most capable and cost effective in meeting our present and future needs.

Representatives from the Department of Utilities have looked at many different computerized systems, have attended numerous seminars, and have evaluated those systems used by other comparable municipalities. As a result of this thorough investigation, the Department of Utilities has determined that the system offered by Hansen best meets the City's specific needs.

The Department of Utilities considered the cost of upgrading versus the cost of purchasing a replacement system. It was determined that although a new system might appear to have a lower initial cost, the additional costs of implementation (including data conversion and staff retraining) would easily make the switch to another software program cost prohibitive.

The new version will allow the addition of the water distribution components and inventory and improve reporting and tracking of work orders and maintenance history. In addition to including the Water Distribution Section, the Customer Service Section of the Department of Utilities will be using a module of IMS to assist in automating the customer care process. This will provide a tracking mechanism to enhance the City's customer service capabilities in tracking the status of customer requests. Another benefit is that staff will have access to historical component information in addition to being able to query work-in-progress statistics.

Upgrading to the current version of Hansen's IMS will provide the following benefits:

- ▶ fully Y2K compliant
- ▶ optimized for the Department's current 400,000 inventory item database and hardware technologies
- ▶ integrates with current GIS technologies
- ▶ will operate on the City's hardware server platform standards.
- ▶ will allow for the inclusion of the Water Distribution System inventory components
- ▶ has modules to automate the Department of Utilities Customer Service Section
- ▶ will optimize the current database and hardware technologies to include field use of laptops and subsequent downloading
- ▶ the upgraded version has proven to be a mature and quality product since its release in 1996

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- ▶ has improved reporting capabilities
- ▶ it will allow for huge efficiencies for data entry

FINANCIAL CONSIDERATIONS:

The total amount budgeted for this project is \$368,000 of which \$26,900 has been spent to date. The total cost of this Consultant Services Agreement is \$251,645 and there are sufficient funds in the project to fund this agreement.

ENVIRONMENTAL CONSIDERATION:

No environmental review is required for continuing administrative or maintenance activities, which are not conducted in conjunction with a project subject to CEQA review [CEQA Guidelines § 153778(B)(3)].

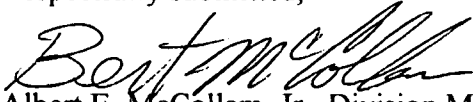
POLICY CONSIDERATIONS:

This recommendation is in accordance with the provisions of City Code Title 59.

ESBD CONSIDERATIONS:

Hansen was originally selected for their expertise in infrastructure maintenance software in 1986. Hansen is the only company which produces the Hansen IMS software and is the only company which sells the upgraded version and enhancements to the IMS software. Due to the proprietary nature of the software products and the internal expertise Hansen has in converting their databases, no subcontracting opportunities are available. There are no opportunities for ESBD participation at this time and therefore a waiver for ESBD participation has been granted. Overall, the Department of Utilities is exceeding their ESBD goals.

Respectfully submitted,



Albert E. McCollam, Jr., Division Manager
Field Services Division

RECOMMENDATION APPROVED



Robert P. Thomas
City Manager

APPROVED


James G. Sequeira
Director of Utilities

RESOLUTION NO. 99-635

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

APPROVED
NOV 9 1999
OFFICE OF THE
CITY CLERK

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO SIGN AND EXECUTE A CONSULTANT SERVICES AGREEMENT WITH HANSEN INFORMATION TECHNOLOGIES, INC. FOR THE MAINTENANCE MANAGEMENT SYSTEM PROJECT (ZG06).

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

- 1. The Department of Utilities is authorized to standardize the use Hansen Information Technology Infrastructure Management System software for future purchases and contracts, and;
- 2. The City Manager and City Clerk are authorized to sign and execute a Consultant Services Agreement with Hansen Information Technologies, Inc., for an amount not to exceed \$251,645 for upgrading the existing maintenance management system, integrating additional inventory components, GIS technologies, and automating customer service requests.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

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