



cityofnovi.org

CITY of NOVI CITY COUNCIL

**Agenda Item F
December 5, 2011**

SUBJECT: Approval to purchase Cityworks software from Azteca Systems, a sole-source provider, to support the City's asset management system for a total price of \$59,365.

SUBMITTING DEPARTMENTS: Department of Public Services and Information Technology

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$ 59,365
AMOUNT BUDGETED	\$ 195,000
APPROPRIATION REQUIRED	\$ 0
LINE ITEM NUMBERS	592.000.00-140.000 – \$ 29,682.5 210.000.00-986.000 – \$ 14,841.25 204.000.00-986.000 – \$ 14,841.25

BACKGROUND INFORMATION:

About the Novi Enterprise Asset Management System (NEAMS)

The Novi Enterprise Asset Management System was an approved Capital Improvement Program activity for the second quarter of this fiscal year. The City of Novi Department of Public Services and Information Technology Department have been working collaboratively to identify proven technology solutions to improve the operations and maintenance practices involving the City's utility and road networks. This team identified an asset management strategy which improves the performance of these systems, reduces operating and capital replacement costs, and improves customer service delivery by managing service requests so they can be efficiently received, prioritized, and resolved. Over the past four years, extensive research and fact finding from neighboring communities throughout southeast Michigan revealed that investments in asset management systems have significantly reduced both short term and long term operations and maintenance costs. Governor Snyder's recent message discussing the need for reinventing Michigan's infrastructure (off week packet, 10/27/2011) emphasizes the importance of applying sustainable asset management practices which are frequently advanced using technology to improve internal process efficiencies and overall customer service. Communities in our region have calculated a return on the initial investment of their asset management systems between three to five years.

Cityworks Software Functions & Municipal Users

The Cityworks software component is the foundation of the computerized asset management system. It is designed to streamline business processes for essential service functions including; managing work orders, performing scheduled inspections, receiving citizen service requests, retrieving asset maintenance histories, and creating standardized reports for expense summaries or budget preparation. The members of the DPS and IT team identified Cityworks as a software industry leader to meet the City's operational needs. Cityworks is currently being used by Waterford Township, Canton Township, City of Troy, City of Farmington Hills, City of Auburn Hills, City of Ann Arbor, and City of Grand Rapids. This server-based software is accessible to both office users and remote users through a standard internet browser. This configuration reduces overhead costs and provides greater flexibility for staff to access their asset information when and where operational requirements dictate. In the future, this software is could be configured with a citizen service request management system allowing citizens greater access to reporting their service needs online.

Sole Source Provider Details

The City negotiated a \$4,000 discount through Azteca Systems which is a sole-source provider and is the only licensor of its software products. The Cityworks software configuration proposed with the NEAMS project is being used by over 30 municipalities and utility authorities across the nation. It has a

strong, active user base and its clients have long-term relationships which demonstrate Azteca's commitment to satisfying its clients evolving needs.

Conclusion

The asset management program will advance the City Council's goals of improving infrastructure and maintaining a fiscally responsible government. The system is also designed to evolve and mature with the City's growing operational needs as exemplified by the City's growing road and utility infrastructure. In the past 10 years, the City experienced 21.7% increase in water and sewer customers and has expanded its road network by 30% or 43 centerline miles according to Act 51 records. The initial phase of this project will involve the City's water system, sanitary sewer, road network, and traffic sign assets. It could be later expanded to incorporate other asset groups in response to the City's current needs including street trees, sidewalk maintenance, vehicle operations, and storm water systems.

RECOMMENDED ACTION: Approval to purchase Cityworks software from Azteca Systems, a sole-source provider, to support the City's asset management system for a total price of \$59,365.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				



Azteca Systems
11075 S. State Street
Suite 24
Sandy, Utah 84070

(801) 523-2751
FAX: (801) 523-3734
www.azteca.com

November 22, 2011

Christopher Blough
GIS Manager
4175 W Ten Mile Rd.
Novi, MI 48375-3024

Subject: Cityworks Sole Source Letter

To Whom It May Concern:

As you have requested, this letter confirms that Azteca Systems, Inc. designs, creates and owns the Cityworks software and is the sole provider and licensor of this product.

Should you have any further questions please contact me at (801) 523-2751 or if you prefer email at bhaslam@cityworks.com.

Sincerely

Brian L. Haslam
President, Azteca Systems

Cityworks®

Price Quotation

Azteca Systems, Inc.
 11075 South State Street, Suite 24
 Sandy, UT 84070
 Corporate Main 801-523-2751
 Corporate Fax 801-523-3734

For: **Christopher Blough**

Organization: **City of Novi, MI**

Department:

Phone: **248-347-3279**

Email: **cblough@cityofnovi.org**

Fax: **248-735-5683**

Budget
 Quote No: **Novi_11222011**

By: **Phil Mogavero**

Date: **November 22, 2011**

Phone: **716-667-6987**

Item	Software	Qty	Unit Price	Cost
1.1	Cityworks Server AMS 10pk login bundle <i>Software includes media and documentation online via www.mycityworks.com</i>	1	41,395	41,395
1.2	Cityworks Server AMS Licenses 11 - 20	5	2,995	14,975
1.3	Cityworks Desktop for Cityworks configuration use	1	2,995	\$2,995

Item	Update & Support	Qty	Unit Price	Cost
2.1	Software License Update & Support <i>Software Update & Support consist of all software and documentation updates and access to Technical Support (telephone, email, web-based MyCityworks.com). Update & Support for Cityworks beyond the complimentary period is payable annually in advance at the rate indicated beginning following contract year.</i>	1		11,965

Item	Implementation Services
3.1	<i>Installation, configuration, training and other Cityworks-related deployment services are extra and not included in this quotation. Please contact Azteca Systems, Inc. or an Authorized Partner for assistance.</i>

Total Software Cost: \$59,365

Notes:

1. Cityworks does not include Esri product licensing.

This Price Quotation may illustrate a series of cost comparisons for Cityworks and associated add-on products. Pricing quoted herein is good for 90-days from date of quote.

AZTECA SYSTEMS QUOTATION TERMS AND CONDITIONS

Azteca Systems, Inc. 11075 South State Street, Suite 24, Sandy UT 84070 • 801-523-2751 • fax 801-523-3734

All quotations are valid for ninety-days (90) unless otherwise stated on the quotation form above. These prices and terms are valid only for items purchased for use and delivery within the United States.

All pricing for services are a firm fixed price and include travel costs. Tasks invoiced upon completion.

Cityworks is commercial-off-the-shelf software that can be tailored to the workflow of an organization.

Cityworks Desktop, Cityworks Anywhere and Cityworks Server are designed as an "extension" to various ESRI GIS software and are available in "Standalone" configuration. Cityworks does not include ArcGIS, ArcMap, ArcView, ArcEditor, ArcInfo, ArcIMS, ArcGIS Engine, ArcGIS Server, ArcSDE or other ESRI products. ESRI licenses will be from the customer's existing stock. If additional licenses are required, the customer will purchase these directly from ESRI.

The procurement, installation and administration of the RDBMS utilized in conjunction with Cityworks will be the responsibility of the customer. Currently, Cityworks supports Oracle and SQL Server.

Specific requirements for on-site Cityworks training are the responsibility of the Customer.

All hardware, software, and networking equipment used in conjunction with Cityworks are the responsibility of the Customer to purchase and maintain.

The networking of client machines to the Cityworks database and GIS file servers are the responsibility of the Customer.

This quotation information is proprietary and may not be copied or release other than for the express purpose of the current system selection and purchase. This information may not be given to outside parties or used for any other purpose without written consent from Azteca Systems, Inc.

To expedite your order, please reference the quotation number on your purchase order.

Order Process

The order process is initiated when Azteca Systems receives an original Purchase Order or some form of advance payment. Several additional documents will be required including, Software License Agreement, Tax Exemption Certification and Cityworks Site Profile to complete your order. The need for these documents may vary by the type of software ordered or generally accepted industry practices. Please consult your Account Representative for assistance. If delivery must be expedited, please notify your Account Representative.

IMPORTANT! Collectively, these documents contain the authorization and information necessary to ship the proper version of the software and on the correct media. Please return them promptly to avoid unnecessary delays in shipping and incompatible media. Please return all documents by mail or express delivery, or as otherwise directed.

Software Licensing

All Azteca Systems software offered in this quotation are commercial off-the-shelf (COTS) software developed at private expense and subject to Azteca Systems commercial license terms and conditions. Azteca Systems software is subject to Azteca Systems Software License Agreement. A fully executed copy of the Software License Agreement is required before delivery and installation.

Delivery

FOB Sandy, UT 84070, USA.

Allow thirty-days (30) from Azteca System's receipt of the Purchase Order, signed Software License Agreement and other documents, as required.

Standard delivery method is through Azteca's customer support web portal. Other delivery service is available for an additional fee (e.g., overnight delivery).

Payment Terms

Net thirty (30) -days.

Taxes

Prices quoted do not include applicable sales or use taxes unless so stated. In preparing your budget and/or Purchase Order, please allow for applicable sales and use taxes, as necessary. Azteca Systems reserves the right to collect sales and use tax assessed by states as required by law. Azteca Systems will add applicable state sales tax to the invoice unless proof with the order is shown that your organization is tax exempt or pays state tax directly.