



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 12/17/2019

ITEM NO: 14

DATE: December 11, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Negotiate and Execute a Five-Year Agreement for Services with Cartegraph, Inc. for Enterprise Asset Management System Services Effective January 1, 2020 Through December 31, 2024 in an Amount Not to Exceed \$37,283 Annually Plus a Three Percent Annual Escalation, and a Total Agreement Amount Not to Exceed \$197,803, With Three Five-Year Options Thereafter.

RECOMMENDATION:

Authorize the Town Manager to negotiate and execute a five-year Agreement (Attachment 1) for Services with Cartegraph, Inc. for Enterprise Asset Management System (EAMS) services effective January 1, 2020 through December 31, 2024 in an amount not to exceed \$37,283 annually plus a three percent annual escalation, and a total agreement amount not to exceed \$197,803 with three five-year options thereafter.

BACKGROUND:

The Town Council approved a similar recommendation on December 3, 2019 (Item 9); however, staff erroneously omitted sales tax for each year of the agreement. This increased the total agreement amount by \$16,540 over the 5-year span. This report duplicates the previous report with changes to the fiscal elements to include sales tax.

The Town of Los Gatos has been utilizing an Enterprise Asset Management System (EAM) by Cartegraph since 2004. The Cartegraph Asset Management Program allows for day-to-day management of work activities by effectively logging and tracking citizen requests, scheduling work orders, and tracking of assets and work history throughout the Town. The Parks and Public Works Department currently tracks facilities, parks, streets, sidewalks, signs, and fleet. The system is essential in managing the work of the department and identifying the needs of the Town's assets.

PREPARED BY: Bobby Gonzalez
Senior Administrative Analyst

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

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DISCUSSION:

This past fall, staff from Parks and Public Works issued a Request for Proposals (RFP) to firms who specialize in providing EAM systems. Staff received and reviewed seven proposals through the RFP process. Four companies were short listed and extended the opportunity to provide product demonstrations. After extensive review and discussions, Cartegraph, Inc. was chosen as the company that best meets the needs of the Town due to its experience, quality of product, and rankings by the evaluation panel.

Following the identification of Cartegraph as the best match for the Town's needs, staff entered negotiations, successfully obtaining more in person meetings with Cartegraph's Customer Success Team to ensure that staff receives training on quarterly product updates. In addition, the number of user licenses has increased from 12 to 25, which will allow multiple users for management, maintenance, and administration to be added to the system. Staff was also able to negotiate the cost down from the original proposal.

CONCLUSION:

Authorize the Town Manager to negotiate and execute a five-year Agreement for Services with Cartegraph, Inc. for Enterprise Asset Management System services, to be effective January 1, 2020 through December 31, 2024 in an amount not to exceed \$37,283 annually, and a total agreement amount not to exceed \$197,803, with three five-year options thereafter.

FISCAL IMPACT:

Funds of \$38,400 have been appropriated in the Adopted FY 2019/20 Parks and Public Works Operating Budget for the system. The proposed agreement includes a first-year cost of \$37,283 plus a 3% annual price escalation. A budget adjustment will be proposed in year 3 to cover the remainder of the agreement.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Revised Agreement for Services with Sales Tax with Exhibit A