



## Request for City Council Committee Action From the Department of Public Works

**Date:** June 19, 2007

**To:** Honorable Sandra Colvin Roy, Chair, Transportation & Public Works Committee

**Subject:** **Modify contract #C-22314 to upgrade fleet management information system.**

**Recommendation:**

Authorize proper City officers to increase contract #C-22314 by some \$370,000 to upgrade current fleet management system.

**Previous Directives:**

06/28/1996 Approve contract C11070 for the purchase and implementation of M4 fleet maintenance management system.

**Prepared by:** Prab Rao, Director Fleet Services Division

**Approved by:**

\_\_\_\_\_  
Steven A. Kotke, P.E., City Engineer, Director of Public Works

**Presenters:** Prab Rao, Director Fleet Services Division  
Gary Dahl, Business Manager

Permanent Review Committee (PRC)	Approval _____	Not applicable <u>  X  </u>
Policy review Group (PRG)	Approval _____	Not applicable <u>  X  </u>

**Financial Impact** (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: \_\_\_ Action is within the plan. \_\_\_ Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

**Community Impact:**

Neighborhood Notification: Not Applicable  
City Goals: Not Applicable

Comprehensive Plan: Not Applicable  
Zoning Code: Not Applicable

**Background/Supporting Information:**

In 1997, as the result of a consultant's review of the City's Equipment Service Division, a fleet management system was purchased and installed from Maximus Corporation. That system, marketed under the name of M4, contains a number of interfaces to the City's current payroll and finance systems. With the introduction of PeopleSoft, new interfaces will have to be established at considerable cost and the time is appropriate to inquire if money should be spent interfacing an old technology or the City should acquire the latest technology.

M4 is a 15-year old technology and has served the City well for the past 10 years. Maximus has developed a new web-based technology called M5 and has stopped marketing M4. Many current and new users of Maximus systems have purchased M5 including the City of St. Paul, Minnesota Department of Transportation, Minnesota Travel Management and the Hennepin County.

In addition, a number of features have been developed for M5 that will never be available in M4 such as vehicle replacement modeling and direct access to exchange servers. Wi-Fi, AVL, GPS, voice activation, easy data sharing, just to name a few, are already available in M5.

In discussions with PW management, Finance, BIS and the PeopleSoft implementation team, the consensus is that the best interests of the City are served by upgrading the fleet management system to M5 now rather than modifying M4 interfaces to conform to the new PeopleSoft finance system at a cost in excess of some \$100,000. Sooner or later, the City will have to invest in a new system as Maximus will gradually decrease support provided to M4.

The team also considered the question if the City should bid for an entirely new system and rejected it since M4 to M5 transition will be much more smooth and seamless, and less expensive. If a new system were to be acquired, data conversion alone would make it prohibitively expensive.

The estimated price of \$370,000 for M5 includes establishing interface functionality with PeopleSoft.