



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
April 15, 2025

TOPIC: Construction Project Management Software System

AGENDA TITLE

License Agreement Amendment with ProCore Technologies, Inc. for Construction Project Management Software (Non-General Fund)

RECOMMENDED ACTION

Authorize the City Manager to execute a first amendment to license agreement with ProCore Technologies, Inc., increasing the compensation by \$55,000, including a \$12,928 contingency, for a total amount not to exceed \$305,000 for the entire length of the agreement, and extend the agreement term until September 16, 2025 (Agreement No. A-2025-XXX).

GOVERNMENT CODE APPLIES: Yes

DISCUSSION

The Public Works Agency (PWA) is responsible for managing the design and construction of all Capital Improvement Program (CIP) projects to meet the City's infrastructure needs. The City's infrastructure needs include the acquisition of land and major renovations of city infrastructure such as roads, buildings, and parks. In the current fiscal year, there are approximately 45 active projects related to streets, traffic, utility, drainage, lighting, and city and park facilities, all of which total \$36 million in expenditures. Streamlined coordination and communication of all project phases across multiple departments and divisions is critical to the efficient use of the City's resources.

On September 1, 2020, City Council approved an agreement to ProCore Technologies Project Management Pro software (Procore) for a one-year period, in an amount of \$50,000, with the option to renew for up to four additional years for a total amount not to exceed \$250,000, in order to effectively streamline project documentation, digitally log inspections, and document communications between engineers, inspectors, and contractors. This license agreement is in its final renewal option and scheduled to end August 31, 2025. Due to an increase in CIP projects, the annual estimated amount for the current and final extension is estimated at \$92,072, creating a need to increase contract capacity for the remainder of the contract term by adding \$55,000, including a contingency of \$12,928 for a new total amount not to exceed of \$305,000 and extend the termination date to September 16, 2025 (Exhibit 1).

Procore is a widely used program that provides instant data transmission across PC and mobile applications, allowing for real-time delivery of accurate project information. The cloud-based platform has intuitive tools to assign tasks, respond to comments and questions, produce and access reports, and manage budgets and costs. Additionally, Procore has the ability to integrate with other platforms currently used by the City, eliminating the need to purchase any additional software in order to successfully implement its usage.

Approval of the recommended action will allow staff to continue the centralization of critical project files for timely project delivery. This software subscription is exempt from bidding under Santa Ana Municipal Code 2-807(a), which so exempts purchases over \$25,000 of “materials, supplies, labor, and equipment whenever it shall appear that there is only one reasonably available source or where solicitation of bids would for any reason be an idle act.” Here, the application is very industry-specific and unique to this vendor. It is not commercially available through distributors as other major software programs are, making this vendor a sole source. As such, prior to expiration of the contract term, staff will negotiate new contract terms and present to Council for consideration.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with the action.

FISCAL IMPACT

Funds are budgeted and available for expenditure in the Fiscal Year 2024-25 budget and subsequent fiscal years will be included in the proposed budgets for City Council consideration. The funds will be budgeted and available for this item in the accounts below.

| Fiscal Year | Accounting Unit-Account # | Fund Description | Accounting Unit, Account Description | Total |
|---------------------------------|----------------------------------|--|--|------------------|
| Amendment | | | | |
| 2024-25 (April-June) | 10117601-62300 | Public Works – Administration & Planning | Public Works – Admin Services – Contract Services Professional | \$30,000 |
| 2025-26 (July-September) | 10117601-62300 | Public Works – Administration & Planning | Public Works – Admin Services – Contract Services Professional | \$25,000 |
| Amendment Total | | | | \$55,000 |
| Original Contract Amount | | | | \$250,000 |
| Total | | | | \$305,000 |

EXHIBIT(S)

1. Procore Technologies, Inc. Order Form

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Alvaro Nuñez, City Manager