

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: Communications & Information Technology, Community Development, and Finance - Approve contracts to upgrade the Accela Permit and Business License application and Selectron Interactive Voice Response software.

Expenditure: \$828,421

RECOMMENDATION

Recommendation of the Information Technology Director, Community Development Director, and Finance Director that City Council:

1. Approve a contract with Accela, Inc., of San Ramon, CA , to upgrade Accela Permit and Business License application, licensing agreement, and annual maintenance agreement through 7-30-2017, in the amount of \$674,222;
2. Approve a contract with Selectron Technologies, Inc., of Portland, OR, to upgrade the Selectron Interactive Voice Response software, licensing agreement, and annual maintenance agreement through 6-30-2018, in the amount of \$133,830;
3. Approve a 5% implementation contingency of \$20,369;
4. Approve transfer of \$157,250 from FEAP550 (Conversion of Archived Construction Drawings project) to FEAP802 (Permit/Business License System Upgrade). Transfer to be repaid upon availability of Metro-approved Prop C swap funds next fiscal year; and,
5. Approve a change order with CompuCom, Inc. of Dallas, TX, (PO 2013-178), in the amount of \$7,100.00, for a new not-to-exceed total of \$57,400.00 for the purchase of Microsoft SQL server software for the permit upgrade project.

Funding

Funding of \$325,000 is available from FEAP802 (Permit/Business License System Upgrade); \$157,250 is available from FEAP550 (Conversion of Archived Construction Drawings project); and \$346,171 is available from the Communications & Information Technology operating budget for ongoing five years of annual maintenance.

BACKGROUND

Accela Tidemark Advantage system supports the operations of the City's permit functions and New World Systems supports the operations of the City's business license functions. The Accela Automation system is the newly rewritten browser-based system that handles both permits and business licenses; the City is allowed licensing upgrades as part of our current Accela annual maintenance. The following is a history of system implementations relating to

permits and business licenses in the City. City Council authorized the purchase of a new permit issuance system with permit tracking system software (August 11, 1998), the purchase and implementation of the Tidemark Business License module (September 11, 2001), interactive voice response integration (IVR) software licenses (December 12, 2003), and wireless inspector field module (June 5, 2007) from Accela, Inc., (formerly known as Tidemark Computer Systems, Inc). The City completed the Accela wireless implementation for building regulation inspectors in November 2007. On December 15, 2009, City Council authorized the New World Business License module.

The City also integrated the permit system with the Selectron IVR system for phone access to permit information, communications with inspectors, and scheduling inspections. The Community Development department is planning additional use of this system to fax back requested information. Selectron has provided the City with IVR services since 2003. An upgrade is necessary to implement new functionality, integrate with the new permit system, and use the new voice-over-IP phone system for improved disaster recovery and redundancy.

The one-stop concept started on May 2, 2011, with the opening of the permit center. The one-stop concept modified the counter operations of four departments: Community Development, Finance, Fire, and the City Treasurer. With the one-stop concept in place for over a year, it is time to modify our systems to utilize one application for both permits and business license to further streamline the process. In addition, online business license and permit applications and payment will be added for customer convenience.

On June 5th, 2012, Council item 12D approved the permit and business license system upgrade project as part of the City's Strategic Priority 7: Responsive, Accountable, Cost Effective Government. The purpose of the upgrade project is to improve customer service in the development and building permit process and maximize consolidation of the permit process through automation. Total project cost approved is \$650,000 of which 50%, or \$325,000, is appropriated in fiscal year 2012-13 under FEAP802.

The City is planning a three-phase project for implementation. Phase I will cover an upgrade of the existing Accela permit and GIS applications, the consolidation of business license functions with the upgraded Accela permit system, and an upgrade to the existing Selectron IVR. Phase II (FEAP 434 - Work Management System) will include asset management as a replacement for our Maximo system and pet licensing. Phase III is a potential project with Fleet Maintenance and will require a more detailed feasibility review. City staff will return to council for approval at a later date for Phases II and III.

ANALYSIS

Given the need for the City to upgrade permit system functions, upgrade business license system functions, and modify systems to match changes implemented in the permit center one-stop concept, City staff compared the existing systems provided by Accela, the permit application vendor, and New World, the business license vendor. Only Accela had the functionality that would meet permit, business license, online application, and asset management functions. In addition, City staff reviewed the market for products meeting our permit, business license, online application, and asset management needs. Four additional vendors were found that could provide the required functions.

In July 1997 the City Council adopted an ordinance (Section 22.3.19 of the Torrance Municipal Code) that created an exemption from formal bidding for the purchase of computing and networking

hardware and software. The exemption was meant to allow the City to develop a relationship with a small number of vendors with the intent of motivating vendors to provide better equipment, lower prices, and a higher level of customer service.

City staff obtained upgrade costs from our existing vendor Accela, Inc., and obtained budgetary estimates from the additional four vendors for implementation, software licensing, and annual maintenance as shown in the below chart:

Permit System Upgrade Estimated Cost Comparison

One-Time Vendor Costs	Accela	Azteca	EnerGov	GovPartner	MSGovern
Implementation	\$ 347,906	\$ 250,000	\$ 620,000	\$ 168,000	\$ 467,000
Software Licensing	\$ 52,500	\$ 280,750	\$ 382,645	\$ 326,000	\$ 225,000
One-Time Vendor Costs	\$ 400,406	\$ 530,750	\$ 1,002,645	\$ 494,000	\$ 692,000
Annual Maintenance	\$ 68,454	\$ 55,550	\$ 118,141	\$ 77,200	\$ 51,000

The analysis indicates that an upgrade to Accela Automation is the most effective and less costly option, and provides further opportunities for consolidation of systems in the future. Accela Automation will handle permits, business licenses, Citygram submissions, plus it will add online permit and business license application and payment, improved field access for staff, additional GIS integration, and enhanced citizen access.

The initial costs for Accela, including implementation and software licensing, total \$400,406. System maintenance is fixed at \$68,454 per year for five years through 7-30-2017. A credit for the prorated portion of prepaid system maintenance for the existing permit system will offset the first year maintenance cost. The total maintenance cost through 7-30-2017 is \$273,816.

In conjunction with the permit and business license system changes, the Selectron IVR system must be upgraded in parallel to provide automated phone services. The IVR system is integrated into the existing Accela permit system. Selectron is aware of current configurations and can implement the conversion quicker with minimal City staff involvement as City staff is busy with the Accela upgrade. The upgrade costs for Selectron, including implementation and software licensing, total \$61,475. System maintenance begins on 7-1-2013 and increases 5% per year for a five year total through 6-30-2018 of \$72,355.

	Costs			Funding		
	Accela	Selectron	Vendor Total	Capital Funds	Operating Funds	Council Approval
Vendor Costs						
Implementation	\$347,906	\$59,475	\$407,381	\$407,381		\$407,381
Licenses	\$52,500	\$2,000	\$54,500	\$54,500		\$54,500
Subtotal One Time Costs	\$400,406	\$61,475	\$461,881	\$461,881		\$461,881
5 Years Maintenance	\$273,816	\$72,355	\$346,171		\$346,171	\$346,171
Vendor Subtotal	\$674,222	\$133,830	\$808,052			
5% Implementation Contingency	\$17,395	\$2,974	\$20,369	\$20,369		\$20,369
Expenditure Total For Council Approval	\$691,617	\$136,804	\$828,421	\$482,250	\$346,171	\$828,421
FEAP802 50% Appropriated FY 12/13				\$325,000		
Transfer from FEAP550 (to be repaid)				\$157,250		

The Accela permit system and Selectron IVR system have met the City needs. After reviewing other solutions, an upgrade to existing systems is the best method to achieve the enhanced requirements and reduce the change impact on City staff.

Respectfully submitted,



RICHARD SHIGAKI
Information Technology Director



JEFFREY W. GIBSON
Community Development Director



ERIC E. TSAO
Finance Director

CONCUR:



LeRoy J. Jackson
City Manager

Attachments:

- A) June 5th, 2012 council item 12D
- B) Accela Consulting Services Agreement
- C) Accela License Agreement
- D) Accela Maintenance Agreement
- E) Selectron Consulting Services Agreement
- F) Selectron License Agreement
- G) Selectron Maintenance Agreement