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City Council Report

Date: December 8, 2014

To: City Council

Through: Alex Deshuk, Manager of Technology and Innovation

From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Christine Zielonka, Development and Sustainability Director

Subject: Purchase of a Replacement Development Information Management Enterprise Solution **(Citywide)**

Purpose and Recommendation

Council is requested to approve a Contract to purchase a Cloud Based, Development Information Management Enterprise Solution (DIMES) as recommended. This system will replace the current Tidemark permitting system that is used for the land development process and will add a Business Registry component. A committee representing Development and Sustainability, Business Services, Information Technology, Engineering, Transportation and Purchasing participated in developing the Request for Proposal and evaluating responses.

The evaluation committee recommends awarding the contract to highest scored proposal from Accela Inc. at $1,414,185.03 and project contingency of $194,926.65, for a combined total award amount of $1,609,111.68.

Background / Discussion

The City implemented the Tidemark permitting and code compliance system over ten years ago. The system is used by numerous departments who collaborate on development projects in the City. The system is outdated, does not provide the level of customer service that is required and is beyond its useful life. The system is no longer actively supported and there are no updates being released by the vendor. For years the City of Mesa has recognized a need to replace Tidemark. Given the age of the existing system and the feature-set available in current products, the City decided to solicit vendors for a replacement product.

The City developed an extensive RFP consisting of 513 business and technical requirements in 35 categories. Four proposals were received, three of which were determined responsive. The proposal from Tyler Technologies was deemed non-responsive because they did not attend the mandatory pre-response vendor conference. Responses from Accela Inc., CRW Systems and CitizenServe, Inc. were evaluated by the selection committee. Following a systematic evaluation of the 3 responses received, 3 vendors moved forward to a thorough one-day demonstration.

The end result of this exhaustive 15-month effort was the City selection of Accela Automation to achieve the project objectives:

- Replace the obsolete Tidemark product
- Simplify and automate the development permitting processes
- Improve transparency of projects in process as an enhancement service to our customers
- Provide citizens and the development community with a web portal for plan submittals and permit requests
- Provide a new service, Electronic Plan Review, for developers in the City of Mesa thereby eliminating the need for submittal of multiple hard copy plans
- Savings to developers, including:
    - Elimination of printing charges for paper plans
    - Reduction of delivery charges for submittals
    - Equipment costs related to print/scan of documents to meet City needs
    - Time
- Provide the City a means to register and track businesses and provide business registry, miscellaneous licensing, and permitting and fee collection, in person and on-line
- Move away from legacy processes and towards best-industry practices
- Reduce departmental use of offline shadow systems and reduce manual processes and realize efficiencies.

The recommended vendor, Accela, Inc., received the highest scores in both City-required functionality, and desired functionality. Accela Automation is the proposed successor product from the current Tidemark system. A significant advantage in choosing Accela is their experience in moving customers from their legacy product to their current product.

Accela was one of just two respondents whose product is exclusively designed for the public sector. A sample of Accela's existing customers includes Pima County, AZ; Peoria, AZ; New York City, NY; San Francisco, CA; San Diego, CA; San Bernardino, CA; City and County of Baltimore, MD; Cleveland, OH; Lincoln, NE; Omaha, NE; Sacramento, CA; St. Louis County, MO. The City identified many benefits in selecting Accela as its partner with their demonstrated understanding of the land development and code enforcement processes used by local governments. The goal of implementing this solution is to use as many "best practices" that have already been developed as opposed to customizing numerous products to meet the needs of the City and the development community. Automation is one product that encompasses all of the functionalities required.

The City will be purchasing this solution as a subscription-based service (Software as a Service or SaaS model). Cloud options (SaaS) are now considered for most IT systems and will be used when the cost and business requirements are advantageous for Mesa. Significant cost savings will be realized using the Accela Cloud Hosted product (please see Exhibit A for a comparison of City hosted vs. Accela hosted costs). Additionally, upgrades will be included in the annual costs and will not be a separate expense or implementation effort for City IT staff.

The Automation product cost is based upon an on-going five-year implementation with the cost calculated as a function of the total number of users. During the project

implementation which is expected to span 12 months over two budget-years, the City's initial purchase of user licenses from Accela will include the number necessary for system design and configuration (70 desktop and 16 mobile). Upon the completion of the implementation and configuration phase of the project, the City will acquire the additional licenses necessary for enterprise use, currently identified as approximately 290 total desktop users and 80 mobile users.

The magnitude of this project is significant. This investment is expected to serve the City for 10 or more years and will provide a continuously updated product that will improve both our customer service and staff productivity. Additionally, with electronic plan review the cost to the development community of printing multiple sets of hard copy plans and physically delivering them to the City will be avoided as well as the cost to the City of eliminating hard copy storage. Staff time associated with the retrieval of electronic documents will also be significantly reduced.

Hardware (computer displays, monitors, mobile devices) is currently being tested and evaluated by staff and will be purchased separately once selections have been identified.

Alternatives

Council may choose not to award the contract and the process of sending out a new Request for Proposal will be initiated.. However, the City received proposals from all companies currently in this market with the functionality needed by the City. It is highly unlikely that a new solicitation would yield acceptable proposals from any new source.

Fiscal Impact

This purchase is funded by the Development and Sustainability Department Technology Improvement Fee. The Technology Improvement Fee which was implemented several years ago with the express purpose of providing updated technology and electronic plan review as an enhanced service to our customers. This fee was established with a mandate that it could not be used for any purpose other than approved technology enhancements. The development community was very supportive of this fee and is looking forward to the technology improvements and increased customer service that is expected to reduce both time and costs associated with plan submittal and approval. Funds for subsequent years' support and maintenance will be included in future budget requests and is projected to be based on the on-going accumulation of the Technology Fee.

Savings

- Budget currently expended in service of Tidemark maintenance and support will be redirected to maintenance and support of the new subscribed services. The City paid $110,000 for this maintenance in 14/15.
- City currently replaces enterprise servers every five years. The Subscription Services model will negate this expenditure, saving approximately $320,000 over 5 years. ($320K in year one. Servers would need to be replaced in first extension renewal year (year 5-6))
- Software product remains current for life of subscription and all upgrades to software are included in the annual subscription fee. No additional upgrade fees are charged.

Coordinated With

Development and Sustainability, Business Services, Engineering, , Information Technology, Transportation and Purchasing Departments and the City Attorney's Office.

PURCHASING INFORMATION

Action: Award
Procurement Type: Request for Proposals
Solicitation Number: 2014102
Vendors Registered on Bid List: 3
Advertising: Arizona Republic, Bid Net, Record Reporter, Purchasing Website
Downloads: 52
Responses: 4
Local Consideration: Policy did not apply to this procurement method.
Protests Received: None
Initial Contract Term: Five years
Renewals: Renewal options are available and open to negotiation with vendor
Pricing Available to Other Cooperative Agencies: Yes

Responses to Proposal received on January 29, 2014:

Accela Inc. ..... San Ramon, CA
CRW Systems, Inc. ..... Carlsbad, CA
Online Solutions, LLC dba Citizenserve ..... Tempe, AZ
Tyler Technologies ..... Dallas, TX

Proposal Scoring Results:

Element	Points Available	Accela Inc.	CRW Systems, Inc.
Qualifications	100	100	90
Technical Proposal	750	595	420
Price	150	73	150
Total Points	1,000	768	660

- Tyler Technologies was deemed non-responsive. They did not attend a mandatory vendor conference.
- Online Solutions LLC dba Citizenserve was evaluated but released due to incomplete demonstration.

AWARD RECOMMENDATION
Accela Inc.
San Ramon, CA

Description
Development Information Management Enterprise Solution Includes: Accela Automation Subscription Fees, Accela Mobile (both for City staff), Accela Citizen Access Subscription Fees, Implementation Services, and Travel Expenses. **$1,414,185.03**

15% Project Contingency: For additional project expenditures, not known at present, up to an amount equal to 15% of the Services total of $1,299,511.00. **$194,926.65**

Combined Total Award: $1,609,111.68

Exhibit A

Comparison of Hosting Costs: City Hosted v. Accela Cloud Hosted

Self-Hosted Costs to City	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
Mesa Hosted/Supported						
Implementation Project	$ 1,299,511.00					
Server/Storage Hardware	$ 320,000.00					
Licensing	$ 854,057.67					
Maintenance	$ 256,540.42	$ 269,367.45	$ 282,835.82	$ 296,977.61	$ 311,826.49	
	$ 2,730,109.09	**$ 269,367.45**	**$ 282,835.82**	**$ 296,977.61**	**$ 311,826.49**	**$ 3,891,116.46**
Cloud-Hosted Costs to City						
Accela Hosted/Supported						
Implementation Project	$ 1,299,511.00					
Subscription Services*	$ 114,674.03	$ 442,112.24	$ 446,533.31	$ 450,998.64	$ 455,508.62	
	$ 1,414,185.03	**$ 442,112.24**	**$ 446,533.31**	**$ 450,998.64**	$ 455,508.62	**$ 3,209,336.83**
					Savings to City	**$ 681,779.63**

*Subscription Services includes: licensing for Accela Automation user and mobile users; Citizen Access; fees for loading/downloading data; fees for loading new reports.