

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Paul L. Scarlett, Director	2. Telephone No. 823.7308	3. Bureau of Development Services
4a. To be filed: 12/5/2012	4b. Calendar (Check One) Regular Consent 4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	5. Date Submitted to Budget Analyst:
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed

1) Legislation Title:

Authorize Bureau of Development Services to move forward with the Permit/Case Management Information System (Procurement Report – RFP No. 113470)

2) Purpose of the Proposed Legislation:

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

NO

5) Expense: What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence**.)

The total contract costs to the City of Portland are not-to-exceed \$8,555,550, which includes contracts with Sierra Systems, Inc., for a not-to-exceed value of \$6,755,524 for the implementation of a permitting, plan review, and inspections management software system; with Avolve Software Corp. for a not-to-exceed value of \$220,261.80 for ongoing software license and maintenance services; and with Hansen Information Technologies, Inc. for a not-to-exceed value of \$799,760.20 for ongoing software license and maintenance services, and \$780,000 for five years of optional hosting services. The project will be financed through a combination of two funding sources a Line of Credit and Operating Funds (permit fees). BDS is established as an Operating Fund bureau. Approximately 93% of revenues are from permit fees and charges; 7% is from the General Fund. The project will be financed through the bureau's operating revenues, whether it is the repayment of the line of credit or immediate outlays.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

Six limited term positions were already created to work on the project.

- **Will positions be created or eliminated in future years as a result of this legislation?**
No. However the Bureau of Development Services anticipates that efficiencies realized by the new system will allow us to approximately nine fewer positions in future years.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- ☒ **YES:** Please proceed to Question #9.
☐ **NO:** Please, explain why below; and proceed to Question #10.

9) If “YES,” please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

Once the selected vendor has successfully completed the work requested, these beneficial impacts will occur:

- i. Customers will be able to apply for permits online and will be able to view the permit status online
- ii. Customers will have the ability to schedule inspections online and will have real-time access to inspection results that BDS inspection staff will be able to input using a wireless field device
- iii. Inspections scheduling will be fully automated and will eliminate hours of manual scheduling and will significantly reduce the amount of paper that inspectors leave with customers on site
- iv. Most services will no longer require that customers travel to the 1900 Building; they will have access to services 24-hours a day, seven days a week
- v. The plan review process will be all electronic and will eliminate paper use for both customers and City staff.
- vi. The City of Portland will at the very least function as an integrated jurisdiction of the State's ePermitting system, resulting in increased efficiency for industry in applying for multiple permits that occur in multiple jurisdictions.

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

The Development Review Advisory Committee (DRAC) is composed of representatives from industry and neighborhood associations. DRAC has received regular status updates on the Information Technology Advancement Program (ITAP) since fall 2010, and DRAC members have provided valuable input to the bureau regarding the project and customers' needs. The DRAC has expressed continued support for ITAP's goals and has encouraged BDS to continue an open, collaborative dialogue on the project. At least one DRAC member will be participating on an ITAP external stakeholder advisory committee.

The ITAP Customer Advisory Committee is comprised of approximately 12 members who represent a variety of interests. This Committee has been meeting monthly since June, 2011, and meetings will continue through the life of the IT Advancement Project. Individuals have been invited to participate from each of the following professions or interests: architect, developer, engineer, permit/land use consultant, contractor, neighborhood representative, and trades. The role of the committee includes assisting with identifying problems with current business processes to consider for adjustment in the new permit system; reviewing and providing feedback on proposed work flow and processes for the new permit system; providing input on the citizen web portal and application submittal process; offering feedback on prioritization of project work; providing input on options presented for changes to business practices.

The Office of Management and Finance convened a committee to review the financial feasibility of ITAP. This Committee, supported by OMF City staff, included five community members with economic and real estate background and expertise from organizations such as the PDC Small Business Advisory Committee, independent economic consultants, Portland State University staff, and others. Committee members provided their insights into the current economic situation and contributed a number of ideas for the financial projections during three meetings in September and October 2010. Both the financial plan and the anticipated improvements to the bureau's operation as a result of pursuing the IT replacement plan received a solid and positive endorsement from all members of the Committee. In addition, the Office of Management and Finance endorsed the work reviewed by the Committee. The Committee reconvened during late summer 2011 to review more current financial forecasts and was renamed the BDS Finance Committee. They met again in October 2012 to continue reviewing bureau revenues and projections. The Committee will continue to meet periodically to review current economic indicators and information.

The City's Information Technology Oversight Committee (ITOC) did an initial review of the IT Advancement Project at its September 26, 2011 and has been involved throughout the RFP process. The bureau will provide ITOC with periodic updates throughout the life of the project.

c) How did public involvement shape the outcome of this Council item?

- Identified needs for private sector, neighborhood organizations and needs for citizen access to information through a variety of automated electronic messaging systems, plus 24/7 online access.
- Reviewed the project for both business and financial feasibility.
- Responded to proposed project deliverables.
- Feedback from the public and industry validated the scope and objectives of the project.

d) Who designed and implemented the public involvement related to this Council item?

The Bureau of Development Services' senior management team.

e) Primary contact for more information on this public involvement process (name, title, phone, email):

Ross Caron, ITAP Project Manager
(503) 823-4268
ross.caron@portlandoregon.gov

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

BDS will continue to provide these organizations with opportunities to provide input and feedback on ITAP's timeline, expenditures, and deliverables:

- Development Review Advisory Committee (DRAC)
- City Information Technology Oversight Committee (ITOC)
- ITAP Customer Advisory Committee
- BDS Finance Committee
- ITAP customer user groups will be identified to help test the developed system



Paul L. Scarlett, Director, Bureau of Development Services

APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor
Jack D. Graham, Chief Administrative Officer
Bryant Enge, Director, Bureau of Internal Business Services

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Chief Procurement Officer
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FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison _____

DATE: December 12, 2012

TO: Mayor Sam Adams

FROM: Christine Moody *CM*

RE: Authorize Bureau of Development Services to move forward with the Permit/Case Management Information System (Procurement Report – RFP No. 113470)

1. INTENDED THURSDAY FILING DATE: December 6, 2012
2. REQUESTED COUNCIL AGENDA DATE: December 12, 2012
3. CONTACT NAME & NUMBER: Christine Moody ~ 823-1095
4. PLACE ON: ☐ CONSENT ☒ REGULAR
5. BUDGET IMPACT STATEMENT ATTACHED: ☒ Yes ☐ No ☐ N/A
6. ONE (1) ORIGINALS OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY
ATTACHED: ☐ Yes ☐ No ☒ N/A

7. BACKGROUND/ANALYSIS:

On October 12, 2011, Council approved Ordinance No. 184934 which authorized the use of a competitive request for proposals (RFP) for a permitting, plan review and inspections management software system. The Ordinance authorized BDS to acquire a system that includes new functionality to improve efficiency, to accommodate customer requests for electronic submittals and to interface with the State of Oregon's electronic permitting system.

On February 7, 2012, the Chief Procurement Officer (CPO) advertised RFP No. 113470 for the Permit/Case Management Information System on behalf of the BDS. Five proposals were received on April 4, 2012. The proposals were reviewed, evaluated and scored by the evaluation committee in accordance with Portland City Code 5.33. The proposal from Sierra Systems, Inc. was deemed responsive to the requirements of the solicitation and received the highest score from the evaluation committee. The proposal included implementation services from Sierra Systems, Inc. with ongoing software licenses, maintenance, and hosting services from partners Hansen Information Technologies, Inc. and Avolve Software Corp. The City issued a Notice of Intent to Negotiate and Award to Sierra Systems, Inc. on October 15, 2012. No protests were received.

Legal issues - none known

Controversial issues - none known

Citizen participation – Technology Oversight Committee and an industry representative served as an RFP Evaluators

Link to current city policies - none

Other governmental participation – none

8. FINANCIAL IMPACT:

For fiscal year 2012-13, funds are available for this project under Cost Center DSAS000003 for maintenance and support services, and under S00012.CAP for acquisitions of capital assets. Revenues to fund the multi-year project will be drawn from annual revenues, reserves and a line of credit.

9. RECOMMENDATION/ACTION REQUIRED:

Authorize execution of contracts with Sierra Systems, Inc., for a not-to-exceed value of \$6,755,524 for the implementation of a permitting, plan review, and inspections management software system; with Hansen Information Technologies, Inc. for a not-to-exceed value of \$1,579,764.20; and Avolve Software Corp. for a not-to-exceed value of \$220,261.80 for ongoing software license, hosting, and maintenance services.

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.