

**ORDINANCE No. 184226 As Amended**

Authorize negotiation of an Intergovernmental Agreement with the State of Oregon and negotiation of a Vendor Contract for the implementation and support of the Bureau of Development Services Computerized Permit Tracking System in coordination with the State of Oregon eBuilding Permit system (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. In 2007 the Oregon Legislature passed House Bill 2405 that provided for a statewide eBuilding Permit System. Currently the State of Oregon charges a 4% surcharge to the cost of a construction permit that is paid by all construction permit applicants within the State. The surcharge is allocated to cover the cost of maintaining the eBuilding Permit System. In 2008 the State of Oregon selected Accela as the vendor and Accela Automation Software as the platform for the eBuilding Permit System.
2. The existing software system used by the Bureau of Development Services and other development bureaus is approaching 11 years of age and is in urgent need of replacement.
3. The Bureau of Technology Services partnered with BDS to review the options in updating the current permit tracking system and endorses the recommendation to become a full-service jurisdiction with the State's eBuilding Permit System. (Exhibit H)
4. The City Council included a Budget Note in the Fiscal Year 2011-12 Adopted Budget outlining a number of criteria to be met prior to funding a new online permitting system. (See Exhibit A, Page 1)
5. In response to the Budget Note, the City's Chief Administrative Officer convened a committee to review and make suggestions to the Bureau of Development Services (BDS) regarding its financial model and projections. The committee's report (Exhibit A) confirms that the modified BDS financial plan is reasonable and defensible and that BDS can meet its debt service obligations of financing the new system.
6. In further response to the Budget Note, BDS has documented expected efficiencies (Exhibit B), itemized overall costs of the system including cost estimates from other bureaus that will use the new system (Exhibits C and D), and completed a cost/benefit analysis (Exhibit E)
7. Accela is the software vendor for Accela Automation that is used for the State's eBuilding Permit System and is the preferred vendor for implementation and maintenance of said software.
8. In order for the City to become a full service jurisdiction within the State eBuilding Permit System, the City will need to:
  - a. Enter into an intergovernmental agreement with the State of Oregon to migrate its current TRACS permit system into the State's Accela system, and
  - b. Enter into a sole source contract with Accela to cover planning, configuration, installation, migration, maintenance, modification and enhancement of the Accela software.

9. The contract with Accela is anticipated to be for a two (2) year design and implementation project for migration of the existing permit tracking system (TRACS) ("total costs not to exceed amount" to be negotiated), plus additional years of maintenance for software not covered by the State Building Permit surcharge, the term of the maintenance contract to be determined.
10. The City Treasurer has reviewed projected costs, cash flow and funding mechanisms and believes that a five-year line of credit is the most appropriate means of financing the project. (Exhibit F).
11. The City Controller has reviewed a detailed list of project costs to determine which costs may be capitalized.
12. BDS should begin to repay the line of credit once reserves are at approximately 10% of bureau expenditures which is projected to be in FY 2013-14.
13. The Chief Administrative Officer has reviewed revenue projections, BDS financial plan, and financing mechanisms and endorses this project (Exhibit G).
14. BDS will continue to carefully monitor local building activity and BDS revenues in order to ensure that the debt repayment plan associated with the new permitting software system is implemented appropriately and the debt ultimately repaid.

NOW, THEREFORE, the Council directs:

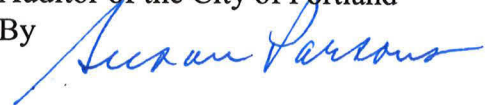
- a. The Bureau of Development Services is hereby authorized to negotiate an Intergovernmental Agreement with the State of Oregon, Building Codes Division.
- b. The Chief Procurement Officer is hereby authorized to negotiate a new sole source contract with Accela that will be brought to Council for final approval.
- c. The Debt Manager is hereby authorized to begin the process of establishing a line of credit.

Passed by the Council: NOV 10 2010

Commissioner Randy Leonard  
Prepared by Denise Kleim, BDS

Date prepared: November 3, 2010

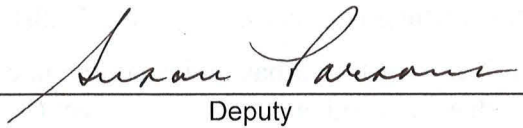
**LaVonne Griffin-Valade**  
Auditor of the City of Portland  
By



Deputy

~~1448~~ 1474 -#  
Agenda No.  
**ORDINANCE NO. 184226 As Amended**  
Title

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<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Commissioner Randy Leonard</b>	CLERK USE: DATE FILED <u>OCT 29 2010</u>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance and Administration - Adams Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland  By: <u></u> Deputy
<b>BUREAU APPROVAL</b> Bureau: Bureau of Development Services Bureau Head: Paul L. Scarlett <u>Paul L. Scarlett by DX</u>  Prepared by: Leanne Torgerson Date Prepared: 10/28/10  Financial Impact Statement Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>  Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  Council Meeting Date <b>11/3/10</b>  <b>City Attorney Approval</b>	ACTION TAKEN: <b>NOV 03 2010 PASSED TO SECOND READING As Amended NOV 10 2010</b> <div style="text-align: right;"><b>9:30 A.M.</b></div>

<b>AGENDA</b>
<b>TIME CERTAIN</b> <input type="checkbox"/> <b>Start time:</b>  <b>Total amount of time needed:</b> (for presentation, testimony and discussion)
<b>CONSENT</b> <input type="checkbox"/>
<b>REGULAR</b> <input checked="" type="checkbox"/> <b>Total amount of time needed: 45 minutes</b> (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz		<input checked="" type="checkbox"/>
2. Fish	2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman	<input checked="" type="checkbox"/>	
4. Leonard	4. Leonard	<input checked="" type="checkbox"/>	
Adams	Adams	<input checked="" type="checkbox"/>	