



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

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REPORT TO COUNCIL

To: Mayor Sam Adams

From: Jack D. Graham, Chief Administrative Officer

Subject: Accept the Report of the Chief Administrative Officer for the Fourth Quarterly Report of the Technology Oversight Committee (Report)

As the Chief Administrative Officer with responsibilities for Technology Project Oversight, I am pleased to convey the third quarterly report of the Technology Oversight Committee (TOC), attached as Exhibit A.

The TOC is now in full operation and has been meeting monthly since September 2011. Processes have been created for early and continued oversight by an independent body to provide transparency and accountability in the City's technology projects including:

- Early identification of City technology projects and assessment by the bureau, Bureau of Technology Services (BTS) and TOC as to whether the projects warrant TOC oversight
- TOC citizen oversight on significant City technology projects (high risk, high cost, etc.)
- Regular, standardized information from City bureaus to TOC about technology projects
- External quality assurance (QA) consultant required on technology projects under TOC oversight
- Regular, standardized information from QA consultant to TOC about technology projects
- Quarterly reports from the TOC to the Chief Administrative Officer to the City Council

The TOC report contains information on the activities of the TOC and City staff to ensure adequate oversight and quality assurance. The report also summarizes the status of the technology projects under the TOC's purview. The period covered by this fourth report ended September 30, 2012. At that time, the TOC was overseeing five projects: the Bureau of Development Services' Information Technology Advancement Project (ITAP); the Portland Housing Bureau's Affordable Housing Software project; the Bureau of Technology Services' Storage Area Network (SAN) project; the Water and Revenue Bureaus' Monthly Billing Statement Project; and the Bureau of Technology Services' Local Area Network Refresh. I recommend that Council accept the report.

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.

TO THE COUNCIL

The Commissioner of Finance and Administration concurs with the recommendations of the Chief Administrative Officer and

RECOMMENDS

That the Council accept the report.

Respectfully submitted,

Sam Adams
Mayor

Technology Oversight Committee Third Quarterly Report (July – September 2012)

PART I – Technology Project Oversight in the City of Portland July – September 2012

Background

On February 2, 2011, City Council approved Resolution #36844 creating an independent five-member citizen committee for City of Portland technology projects. On April 20, 2011, City Council adopted changes to City Code Chapter 3.15.010 and Chapter 3.15.070 to establish the duties and authorities of the Chief Administrative Officer and Chief Technology Officer respectively as they relate to Technology Project Oversight. On June 29, 2011, Council adopted edits to BTS Administrative Rule 4.01 – Technology Project Intake and adopted a new rule (BTS A.R 1.07) on Technology Project Oversight.

As stated in BTS A.R.1.07, technology project oversight for the City of Portland includes the following components:

- Citizen Oversight
- Quality Assurance
- Project Management

Citizen Oversight

The citizen members of the Technology Oversight Committee (TOC) are:

Mayor Adams	Wilfred Pinfeld, PhD Director, Extreme Scale Programs at Intel
Commissioner Fish	Ken Neubauer Infrastructure Manager, Standard Insurance
Commissioner Fritz	Doretta Schrock Transportation Security Administration
Commissioner Leonard	Dave Lister Integrated Data Concepts
Commissioner Saltzman	Ben Berry, MBA CEO, AirShip Technologies Group

Quality Assurance

Quality assurance (QA) – provided by external contractors – is a required component of the City's technology project oversight. The role of the QA consultants on a project overseen by the TOC is to provide guidance and oversight to the City staff on the technology project, but ultimately to report the QA's unbiased findings to the TOC.

Major Accomplishment this Quarter:

- QA consultant was hired and began monthly reporting for the Water Bureau's Monthly Billing Statement project. This means that all four projects that are being overseen by the TOC have external QA in place.

Upcoming Milestone next Quarter:

- Assessment of QA performance and continued refinement of the QA report.

Project Management

Staff from OMF's Business Operations and OMF's Bureau of Technology Services provide committee support and technical expertise to the TOC.

Major Accomplishments this Quarter:

- To balance the increasing workload, the TOC transitioned to hearing in-person updates from two projects each month, rather than all four projects. This allows more time for in-depth discussion and questions. The TOC still receives written monthly updates for all projects and QA reports.

Upcoming Milestones next Quarter:

The TOC is interested in improving the monthly reports used by the project bureaus to increase the consistency and accuracy of the reporting. This will help the TOC better discern a project's condition and whether there are any risks related to budget, scope or timeline.

- Implement a new personnel tracking template that records the number and role of staff working on the project.
- ITAP will pilot a new monthly budget reporting template that creates a baseline budget and uses standard SAP budget categories and time periods.

PART II – Summary of Technology Projects under TOC Oversight

July – September 2012

Project name: Information Technology Advancement Project (ITAP)
Bureau: Bureau of Development Services

Project Description:

Develop paperless permit and case management and allow complete, online access to the permitting and case review services that development bureaus provide. Project deliverables include digitization of historical permit, case and property information; online access to historical permit, case and property information; implementation of an updated permit and case review information management system; online case and permit application and review services; mobile online access for field staff and implementation of an automated queuing system.

Status: The project is meeting expectations in its current phase, but questions about total cost and scope have arisen this quarter.

Major Accomplishments this Quarter:

- Site visits for the top three vendors were conducted by City staff in July and Aug.
- All three vendors moved on to the best and final offer stage with BDS reviewing final offers in Sept and Oct.
- QA task order for the project implementation phase of the project was sent to all six QA vendors; Case and Associates was selected.⁴
- A temporary Project Coordinator was hired through a BTS flexible services contract to provide project management support, including creating a project management plan.

Upcoming Milestones next Quarter:

- Procurement announces Intent to Award and protest period – Oct.
- Statement of work for the contract will be drafted – Oct.
- Project staff will create a top 20 issues list to be addressed by the ITAP project and process mapping documentation – Oct/Nov.
- Contract negotiations – Oct-Dec.

Risks, Concerns, Comments from TOC:

- **Budget:** Costs from the top proposals are considerably higher than the original \$3 million enabling ordinance. The TOC has encouraged BDS to clearly articulate what the City is receiving in exchange for the higher cost. The TOC recommended that ITAP pilot a new monthly reporting budget template to assist them in developing a baseline budget and tracking costs.
- **Scope:** The exact scope of services will be determined during contract negotiations. The TOC is pushing for a deliverables based contract with clearly defined scope. The TOC also had questions whether there was flexibility with the functionality or if it was all or nothing.
- **Timeline:** Estimated completion of the project is May 2015. The specific timeline will depend on the final scope of the project. There have been some delays during this RFP/evaluation phase of the project, but nothing that has yet threatened the overall timeline.

Project name: **Affordable Housing Software**
Bureau: Portland Housing Bureau (PHB)

Project Description:

PHB is contracting with Housing Development Software (HDS), Inc. to implement a solution that will provide a single data repository for the City's affordable housing programs. This effort will replace disparate systems with a modern and effective single core system, allow for data-entry efficiencies, reduce overall costs and also improve access to data and reporting tools.

Status: Project is currently meeting expectations, though there are risks of delay.

Major Accomplishments this Quarter:

- Good progress was made on each of the three remaining modules.
- Data conversion revealed some areas where data needed to be cleaned up by staff, which took longer than expected.

Upcoming Milestones next Quarter:

- Multi-Family module – Go-live scheduled for October
- Asset Management module – Go-live scheduled for October
- Loan Servicing module – Go-live scheduled for October

Risks, Concerns, Comments from TOC:

- Budget: Project remains within budget.
- Scope: There has been no significant change in project scope.
- Timeline: Bureau staff experienced some delayed response time from the vendor. Combined with data cleanup activities, this threatens to delay the overall timeline. The project is scheduled to be complete in November.

Project name: Storage Area Network
Bureau: Bureau of Technology Services

Project Description:

In 2005, a Storage Area Network (SAN) was deployed to solve the City's data storage needs, addressing storage on multiple disk arrays, available space in one area couldn't be used in another, and multiple storage systems were expensive to maintain and grow. Since 2005, data storage needs for bureaus have continued to climb. Creating additional data storage capacity is the primary goal of this SAN project.

Status: Project is currently meeting expectations.

Major Accomplishments this Quarter:

- There were compatibility issues with the switch equipment in July. Vendor replaced parts at no cost to the City, but this caused a delay in the project.
- Migration testing completed; as of Sept, migration itself was 40% complete.
- Procured and received hardware for FY 2012-13.

Upcoming Milestones next Quarter:

- Migration completion – October.
- Project completion – November.

Risks, Concerns, Comments from TOC:

- Budget: The project is currently within budget.
- Scope: There is no significant change in project scope.
- Timeline: The project is on schedule. There were minor delays due to the equipment compatibility issue, but project is still on track to finish in Nov.

Project name: Monthly Billing Statements
Bureau: Water Bureau; Revenue Bureau

Original Project Description:

The Portland City Council directed the Portland Water Bureau to modify its billing system and processes so the majority of its water and waste water customers receive monthly statements. Currently, Water performs quarterly meter reads and bills quarterly. The quarterly bill will be divided into three monthly billing statements under the new program. Meter reads will still be done quarterly. Quarterly payments will no longer be an option.

Project Redefined:

The monthly payment will be optional instead of mandatory, but in order to be able to pay monthly, the customer must sign up for electronic billing.

Status: Project is currently meeting expectations.

Major Accomplishments this Quarter:

- Pacific Consulting Group hired as QA consultant for the project and began monthly reporting to the TOC.
- Cayenta was delayed on working through a list of 27 identified issues with the system upgrade, which delayed the project by at least a month. QA review of the Cayenta contract revealed little accountability and deadlines for deliverables.
- End user training was completed in Sept.
- Initial system upgrade was completed in Sept.
- Water is proceeding with the e-bill contract.

Upcoming Milestones next Quarter:

- System testing – Nov.
- Revenue Bureau print bill development – Nov.
- BTS online enrollment development – Nov.
- Monthly cutover implementation and support – Jan.

Risks, Concerns, Comments from TOC:

- Budget: There are no significant concerns on the revised project budget.
- Scope: There are no significant concerns on the revised project scope.
- Timeline: The revised go-live date of October has been pushed back to January 2013 due to numerous small delays involving Cayenta.

Project name: Local Area Network Technology Refresh
Bureau: Bureau of Technology Services

Project Description:

BTS maintains the City's enterprise data network that supports data and voice communications between servers, applications, computers, and the Internet. This network is critical to the daily functioning of most city services, including public safety. The current network was designed and implemented in 2005, and both hardware and software need to periodically be replaced to maintain vendor support and meet performance and reliability standards. This project will replace all of the current network equipment over a five year period.

Status: Project is currently meeting expectations.

Major Accomplishments this Quarter:

- Cisco was selected as vendor for data center infrastructure.
- Preparing detailed design, configuration, and migration plans – ongoing this fall.

Upcoming Milestones next Quarter:

- Establish project steering committee – Oct.
- Complete QA vendor selection – Oct.
- Select access layer switch vendor – Dec.

Risks, Concerns, Comments from TOC:

- Budget: There are no significant concerns on the project budget.
- Scope: There are no significant concerns on the project scope.
- Overall: The TOC views the majority of this project as routine migration with the most risk in the early phases. TOC agreed to provide oversight for the first three milestones, which have an estimate completion date of July 2013. TOC suggested QA provide quarterly reports rather than monthly to use funds most effectively.

Other Project Oversight:

There were several projects that came before the TOC this quarter that don't necessitate ongoing monthly review in the TOC portfolio at this time.

311 RFP Review

In the FY 2012-13 Adopted Budget, City Council approved funding for a consultant contract to develop a work plan and business case for implementing a 3-1-1 system in Portland. The TOC reviewed and provided feedback to the Bureau of Emergency Communications on the RFP for this contract.

SAP Time Management Project Review

The Enterprise Business Solution (EBS) division is changing the approach to how the City uses SAP for time management. EBS released an RFP for consultants to re-configure the schema for the time management system, with the goal of resolving all outstanding helpdesk tickets and training City staff on the process. The TOC reviewed and provided feedback on the RFP, including a follow up meeting with the EBS manager. The TOC also plans to review the resulting contract later this fall.

Agenda No.
REPORT NO.

Title

Accept the Report of the Chief Administrative Officer on the Fourth Quarterly Report of the Technology Oversight Committee (Report)

<p>INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams</p>	<p>CLERK USE: DATE FILED <u>NOV 02 2012</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams <i>[Signature]</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p style="text-align: right;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Office of Management and Finance Bureau Head: Jack D. Graham <i>[Signature]</i> Chief Administrative Officer</p>	<p>ACTION TAKEN: NOV 08 2012 ACCEPTED</p>
<p>Prepared by: Abby Coppock Date Prepared: October 26, 2012</p>	
<p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Council Meeting Date November 8, 2012</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p>	

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/> Start time: 2:00 p.m.</p> <p>Total amount of time needed: 30 min (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	_____	
Adams	Adams	_____	