



CITY OF LONG BEACH

DEPARTMENT OF TECHNOLOGY SERVICES

R-39

333 West Ocean Boulevard, 12th Floor

Long Beach, CA 90802

(562) 570-6455

FAX (562) 570-5270

November 15, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute agreements, amendments to extend the term, and all related documents to purchase and implement a code enforcement and land management permitting system, including related software, hardware, professional services, and first year system support fees from Hansen Information Technologies, Inc. (\$3,446,580) and Business Objects, Inc. (\$231,000) for a total cost of \$3,677,580. (Citywide)

DISCUSSION

In the Fall of 2003, City staff completed an Information System Master Plan. The Master Plan identified implementation of an enterprise land management system as a top priority. A new land management system would replace obsolete existing systems and allow the City to more efficiently and effectively manage permitting, licensing, inspections and code enforcement cases.

The Master Plan calls for a new land management system to replace Planning and Building's permitting system and Financial Management's business license system. Both systems are over 20 years old and are not able to meet current demands of the City and the public. Moreover, vendor support of the hardware and software of the existing Planning and Building system will terminate after December 31, 2006. In addition to supporting the needs of Planning and Building and Financial Management, the new system would provide dedicated computer support for Community Development's Code Enforcement operations, as well as meet the permitting and inspection needs of other City departments, including the Health, Fire and Public Works Departments. The system would also assist the Police Department's Neighborhood Nuisance Abatement efforts. Using a common system with complete information will vastly improve coordination among departments and enhance service to the public.

In summary, the Hansen system capabilities would provide both direct and indirect support for a number of the City Council's stated priorities including:

- Improve the quality of life in the neighborhoods.
- Enhance neighborhood economic development efforts, particularly on the commercial corridors.
- Promote workforce and business development efforts so as to create new jobs; ensure Long Beach becomes more business friendly.

Hansen System Selection

As a result of an extensive request for proposals process to review enterprise land management systems, a team of representatives from several City departments selected Hansen Information Technologies, Inc. ("Hansen"). Hansen is a comprehensive, functionally rich and easy to use system that enables governments to manage land-based activities utilizing map-based technology designed specifically to incorporate the best practices of municipal service providers. They are a leader in land management systems with a large and established user base including the cities of Atlanta, Las Vegas, Phoenix, Portland, San Antonio and Seattle.

The City issued a purchase order in October 2005 to Hansen in accordance with administrative procedures for purchases of \$100,000 or less. The purchase order is for services to complete pre-project planning including project scope finalization, identification of high-level requirements and refinement of cost estimates.

Hansen System Benefits

The Hansen system is an enterprise system and would be used by several departments including, but not limited to, Planning and Building, Community Development, Financial Management, Health, Fire, Police, and Public Works. It would be used to issue and track various permits, licensing and related inspection activities as well as planning actions and code enforcement cases. The system integrates well with the City's existing Geographic Information System, thereby improving our ability to graphically view and report land-based activities. It offers the City many other benefits including:

- Enhances customer service by enabling public access through the City's website to request and check on status of inspections.
- Improves coordination in interdepartmental operations by providing multi-department access to comprehensive and real-time data of permitting, inspections, and code enforcement activities by address.
- Enables City staff to analyze data by geographic area, identify trends, and take proactive steps to address emerging issues.
- Increases productivity by providing field access to the system for inspectors.
- Streamlines the ability to gather and report performance data.

In addition to meeting the initial high priority needs of permitting, inspections and code enforcement cases, the Hansen system has additional modules for governmental business that could potentially be used for future needs. This includes asset and work order management, billing and collections support, as well as 311 call center support.

Data Conversion Software

Implementing the new system would require conversion of data from multiple systems and platforms. The Technology Services Department has identified software from Business Objects, Inc., that would allow the City to efficiently extract and combine data from these systems as it is being migrated to the Hansen system. This tool would greatly enhance the accuracy of migrated data, eliminate the need for significant staff hours to complete this task, and speed up the conversion. It would be used for this project as well as other future needs.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on October 24, 2005.

TIMING CONSIDERATIONS

City Council action on this matter is requested on November 15, 2005, to begin this vital project. System implementation is projected to take 14 months for the Planning and Building component, which coincides with the vendor support end date for the existing system. The overall project completion timeline is approximately 24 months.

FISCAL IMPACT

The Hansen land management system acquisition cost is estimated to be \$3,446,580. This amount consists of software, installation and configuration, and implementation services which includes vendor project management, business analysis, programming and technical support, and training services. Additionally, it includes the first year of maintenance costs.

The cost of the data conversion software from Business Objects is \$231,000. The amount includes the cost for software and implementation services, as well as first year maintenance costs. In total, City Council approval is requested for the Hansen land management system and Business Objects data conversion software in the amount of \$3,677,580.

In addition, the project will require new computer hardware including servers and handheld computer devices, database software, project management, and telecommunications services at an estimated cost of \$907,973. Including a 15 percent contingency amount, calculated based on hardware and implemented service costs, the estimated cost would be \$1,370,761. Existing City Council-approved vendor agreements are in place to meet these needs.

The total land management system project cost is estimated to be \$5,048,341. It would be funded through a combination of existing funding and lease financing to be repaid over a seven-year period. At this point, it is estimated that annual lease payments would be \$826,964 for seven years, with annual vendor support costs estimated to be \$306,275, for a total annual cost of \$1,133,239.

The analysis and design phase of the project will provide information regarding required equipment necessary to develop the detailed specifications for a financing contract. The lease-financing agreement and required budget adjustments will be brought back for City Council approval after the analysis and design phase is complete.

In December 1992, the Planning and Building Department established a technology surcharge applied to permits. Currently, there is \$1.4 million available from the surcharge to fund the land management system project. The ongoing surcharge is expected to generate approximately \$500,000 per year, which would be available to fund a portion of the project costs. In addition, Planning and Building would experience cost savings in the amount of \$99,360 annually as a result of retiring the existing system and eliminating the annual maintenance costs.

The remaining annual lease financing and ongoing support costs would be allocated to City departments based on expected usage of the Hansen System. At this point, it is expected that Planning and Building, Community Development, and Financial Management would be allocated the majority of the costs. The cost allocations will be fully developed as more detailed information is obtained in the analysis and design phase and would be reflected in the FY 07 Proposed Budget. It is anticipated that Departments would seek to recover system costs through appropriate increases to permit, inspection and license fees in FY 07.

SUGGESTED ACTION:

Approve recommendation.


Respectfully submitted,



CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICES



SUZANNE FRICK
DIRECTOR OF PLANNING AND BUILDING



PATRICK WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

for 

MICHAEL KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

CT:ds

APPROVED:



GERALD R. MILLER
CITY MANAGER