



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 14, 2017

TO: Mayor and Councilmembers

FROM: Information Technology Division, Administrative Services Department

SUBJECT: Accela Project Fund Transfers

RECOMMENDATION: That Council:

- A. Increase appropriations by \$138,250 in the Fiscal Year 2017 Information Technology Capital Fund from reserves for the Accela Civic Platform System project, to be repaid from Community Development and Public Works technology reserves beginning in Fiscal Year 2017;
- B. Increase appropriations by \$226,000 in the Fiscal Year 2017 Information Technology Capital Fund from reserves and approve a transfer of such funds to the General Fund; and
- C. Increase appropriations and estimated revenues by \$160,000 in the Fiscal Year 2017 Community Development Department budget and by \$66,000 in the Fiscal Year 2017 Public Works Department budget for staff backfill related to the Accela Civic Platform System project, funded by a transfer (loan) from the Information Technology Capital Fund.

DISCUSSION:

On June 28, 2016, Council approved contracts for the purchase, implementation, maintenance and support of a new Accela Civic Platform system to replace the existing Tidemark Advantage Permitting System. The total project costs, which were identified at that time, are as follows.

| Project Cost Item | Amount |
|--|--------------------|
| Professional Services for Implementation | \$ 916,350 |
| Software Licensing | \$ 213,569 |
| Maintenance & Support – First Year | \$ 65,858 |
| ROWM Subscription Fee – First Year | \$ 20,813 |
| Contingency | \$ 121,660 |
| Subtotal | \$1,338,250 |
| Staff Backfill | \$ 397,000 |
| Grand Total | \$1,735,250 |

For many years, the Community Development and Public Works Departments have assessed a technology fee at the time a building permit is issued. These fees have been set aside in a reserve account for related technology purchases, licensing, and upgrades.

The cost of this project exceeded available accumulated technology fees. However, an interdepartmental team of staff members felt strongly that the timing for replacement of the old system was critical, and that the Accela product was significantly superior to other available options. Therefore, it was decided to move forward using loans from I.T. Capital Fund reserves to make up this temporary funding shortfall. This is consistent with the I.T. Division's commitment to use excess accumulated funds in the I.T. Capital Fund to help departments avoid delays of important technology projects due to temporary funding challenges.

When the contracts were approved, Council authorized a transfer of the full estimated available balance of Community Development and Public Works technology reserves (\$1,200,000) to the Fiscal Year 2017 Information Technology (I.T.) Capital Budget. Additional transfers of funds are necessary to cover the remaining project costs.

Specifically, the I.T. Capital Fund will lend \$138,250 from its available capital reserves to make up the difference between available Community Development and Public Works technology funding and the contract costs. The I.T. Capital Fund will also lend \$226,000 in Fiscal Year 2017 and \$171,000 in Fiscal Year 2018 to the Community Development and Public Works operating budgets for staff backfill costs related to the project. As new Community Development and Public Works technology fee revenues are accumulated, the loan will be repaid to I.T. Capital Fund reserves, where it will again become available for important Citywide I.T. infrastructure projects.

BUDGET/FINANCIAL INFORMATION:

A total of \$364,250 (\$138,250 + \$226,000) will be lent and appropriated in Fiscal Year 2017 with this action, and the remaining \$171,000 will be included in the recommended Fiscal Year 2018 operating budget for Council consideration. The Community Development and Public Works Departments apply a Technology Fee added to permit

fees to support technology needs. The combined loans of \$535,250 from the I.T. Capital Fund will be repaid by the future revenues from Community Development and Public Works technology fees as they accumulate. It is expected that the loan will be fully repaid by Fiscal Year 2023.

PREPARED BY: Kristine Schmidt, Administrative Services Director

SUBMITTED BY: Kristine Schmidt, Administrative Services Director

APPROVED BY: City Administrator's Office