



Staff Report

INFORMATION PROGRESS REPORT ON SOFTWARE SELECTION PROCESS AND TECHNOLOGY MASTER PLAN UPDATE

Honorable Mayor and Council Members:

Summary

This is an informational report only. No action is requested at this time.

As reported in November, 2007, SoftResources conducted interviews with key personnel from all City departments to assess the City's current systems, deficiencies and future technology interconnectivity needs for maximum efficiency. Once interviews were completed SoftResources researched vendors based on their final assessment for the selection of Finance, Human Resources and other departmental software. The focus was to integrate computer capabilities to take advantage of emerging technologies, with particular emphasis on e-commerce.

At the completion of SoftResources' software selection project, City staff invited three vendors to give scripted demonstrations of their respective products. Staff eliminated two software packages and has completed the next phases of its software selection project with the remaining vendor.

Background

The original Technology Master Plan was created in 1999. This plan was to provide the city with a timeline including specific goals over a 5 year period. The vast majority of those goals were accomplished within the 5 years. The Plan was updated in 2004 by the Technology Steering Committee with approval from the Senior Management Team and then adopted by the City Council which extended the plan from 5 years to 9 years which required minimal financial impact to the City.

The areas most evident requiring a major overhaul to the plan include, but are not limited to:

- Existing financial enterprise legacy software (Cayenta) which was acquired over a decade ago, and while minimally functional, is woefully outdated
- Very limited network and Internet connectivity in an environment that increasingly is demanding external access to data via the Internet
- No operations work order, work management and street maintenance capability
- No Human Resources component

At the November 13, 2007 Council meeting, staff presented progress reports of activities which included a brief history of the City's Technology Master Plan, the hiring of the software selection consulting firm SoftResources LLC of Kirkland, Washington, their assessment of the City's current software practices and recommendation to proceed with a selection project to replace the City's current financial software along with the two-vendor short list they developed, each vendor having the potential to meet the City's four key software criteria, namely:

1. E-vision, enabling full City services to be available 24 hours of the day, seven days a week for Belmont citizens and council members.
2. Functionality to support Belmont's e-vision, that is, fully functional financials software that would support a "best-of-breed" approach so that City departments could select specialized software.
3. Technology that is forward-looking, able to present over the Internet, and able to support integration with best-of-breed applications currently in use.
4. A value-added reseller (or VAR), which is an implementer of software that has a view of the municipal software world that matches Belmont's, whose corporate culture is compatible, and which possesses similar values and uses a similar communication style as Belmont.

City staff added a third vendor to SoftResource's list to provide a larger field for making comparisons.

At the last report to Council, staff was preparing to conduct scripted demonstrations of the three software packages.

Discussion

Actions completed

Since the November report to Council, staff has completed three more phases: product demonstrations, vendor evaluations and a due diligence review of the finalist vendor.

For our product demonstrations (also called "scripted demos"), SoftResources provided Belmont with a draft script designed to show all three software packages performing the same functions in the same order, thus providing the City with an equal basis for judging each package's strengths and weaknesses. Staff finalized the script. Staff invited the three short listed companies to demonstrate their products this past January over the course of two weeks. Each vendor was given two days during which to demonstrate its product. Staff attended the portions of the scripted demos pertaining to their areas of responsibility, scoring each software package's strengths and weaknesses. Demonstrations were given by two Microsoft Dynamics GP VARs, Cogsdale Corporation of Prince Edward Island, Canada, and Eskel Porter of Sacramento. Innoprise of Broomfield, Colorado, demonstrated its own newly-developed technology.

Upon completion of the scripted demos staff tallied the grades and used the results to evaluate the three vendors and eliminate two products. The tally indicated Eskel Porter as the final choice

with respect to the grades as well as Technology Committee member votes with only one voting member in favor of another vendor. Although Cogsdale has done many successful implementations in California and around the United States, the product did not demonstrate well enough to prove its suitability for Belmont and was eliminated. Innoprise, in spite of its promising, forward-looking technology, does not yet have the full functionality Belmont requires, and was also eliminated.

Eskel Porter's solution, which is a combination of Microsoft Dynamics GP for financials and Hansen Technologies for Public Works enhancements including work orders, scored highest in terms of functionality and the ability of the VAR to deliver. This solution also provides for the interconnection of software modules previously invested in by the City. Staff made the decision to proceed with the due diligence phase of the selection process with Eskel Porter.

Staff began its due diligence by visiting two locations where Eskel Porter has implemented either Hansen or Dynamics GP. There are no implementations of the combined Dynamics GP with Hansen within reasonable travel distance of Belmont. Staff visited the City of Monterey, which has implemented the Hansen product, and El Dorado County Irrigation District, which has implemented Dynamics GP. Staff interviewed users and viewed demonstrations of those implementations. In addition, staff conducted telephone interviews with the cities of Incline Village and Daly City, as well as the City of South Jordan, Utah, where Eskel Porter had implemented the Dynamics/Hansen combination. Through these visits and interviews staff has determined that Eskel Porter's view of the municipal software world is compatible with Belmont's, it will supply forward-looking technology, provide the majority of Belmont's functional requirements, and will offer Belmont the basic tools it needs to fulfill its long range e-vision of making City services available 24 hours a day, seven days a week, and therefore recommends Eskel Porter as its implementation vendor.

Next steps

The next steps in the software selection process are:

- Contract negotiations – Belmont and Eskel Porter together will refine plans for the new software system, identify required modifications and enhancements, and obtain best and final pricing. Interviews with department heads are already scheduled and should be completed by May 23, 2008.
- Technology Master Plan update – SoftResources has submitted a draft five year Technology Master Plan, to reflect the steps required to implement Belmont's e-vision. The draft is currently being reviewed by staff together with Eskel Porter. SoftResources will incorporate changes requested by staff and Eskel Porter into final document to be submitted by June 24, 2008.

- Implementation – Implementation will be scheduled in phases in close cooperation with Eskel Porter. The first phase is expected to begin in July of this year, and will most likely involve Hansen, with Dynamics GP beginning in October with the availability of Finance personnel. Full implementation of all modules should be possible by the fourth quarter of 2010.

Staff would also like to advise the City Council that the City of Belmont is being considered for a Case Study for Microsoft Corporation. The City has been forward thinking in its technology vision and Microsoft has expressed an interest in pursuing the conceptual idea of a “Virtual City Hall” (E-Vision). Case studies demonstrate how companies use technology to cut TCO (Total Cost of Ownership), improve developer and end-user efficiency, reduce administrative chores, and increase profits. This Case Study could be of significant financial benefit to the City as well as notoriety within the Local Government arena.

General Plan/Vision Statement

This project supports Belmont’s vision “to plan, fund and utilize cost-effective technologies to provide improved information for decision making, personnel productivity, and public access to City information” (1999 Technology Master Plan, p. I-2).

Fiscal Impact

No fiscal impact will result from this report. Preliminary rough estimates from the vendors suggest cost of software and implementation will be between \$500,000 and \$600,000. Best and final pricing will be obtained after all implementation requirements are defined and contract negotiations are complete. The final cost of this project will be financed over a period of 3 to 5 years and will be detailed in the Technology Master Plan.

Public Contact

Posting of City Council agenda.

Recommendation

This is an informational report. No action is requested at this time.

Alternatives

1. Refer back to staff for further information.

Respectfully submitted,

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