



PIMA COUNTY

INFORMATION TECHNOLOGY

ADDENDUM MATERIAL
DATE 6-9-20 ITEM NO. ADD 10

To: Board
cc Clerk

MEMORANDUM

CDP
6/8/20

Date: June 8, 2020

To: Chuck Huckelberry
County Administrator

From: Dan Hunt
Chief Information Officer

Re: June 9, 2020, BOS Addendum Item 10, Accela

This memorandum is to explain a discrepancy between the amount listed on the referenced Addendum item (page 3 attached) and a memorandum dated June 4, 2020, (attached) from Mr. Huckleberry to the Board entitled "Accela Permitting System – "Software as a Service" / Cloud Migration, dated June 4, 2020. The total of \$3,027,882, for the Master Agreement (MA-PO-20-213) stated in the Addendum item is the correct amount. The amount of \$2,752,620, failed to include provision for sales taxes that would be part of the amount owed to Accela under the agreement.

DH/mk

JUN 08 2020 04:21 PM CCK:KDF:HD

VB

FORENSIC SCIENCE CENTER

8. Graham County, to provide for medical examiner services, contract amount \$90,000.00 revenue/5 year term (CTN-FSC-20-159)
Attachments: CTN-FSC-20-159

PROCUREMENT

9. Southern Arizona Paving & Construction Co., to provide for Speedway Boulevard: Camino de Oeste to Painted Hills - Paved Shoulders (4HSBSP) Project, Transportation CIP Projects (Federal FHWA) - 82% and HURF ((DOT-59) - 18%) Funds, contract amount \$2,074,116.00 (CT-TR-20-348) Transportation
Attachments: CT-TR-20-348
10. Accela, Inc., to provide for migration and subscription services of Land & Permit Management System, General Fund, contract amount \$3,027,882.00 /6 year term (MA-PO-20-213) Information Technology
Attachments: MA-PO-20-213
CA CAMemo AccelaPermittingSystem

GRANT APPLICATION/ACCEPTANCE

11. **Acceptance - Environmental Quality**
Arizona Department of Environmental Quality, Amendment No. 1, to provide for the Voluntary Lawn Equipment Emissions Reduction Program and amend scope of work, \$132,200.00 (GTAM-DE-20-52)
Attachments: GR GTAM-20-52
12. **Acceptance - Pima Animal Care Center**
Best Friends Animal Society, to provide for the Rachel Ray Save Them All COVID-19 Relief Grant Agreement, \$5,000.00 (GTAW 20-131)
Attachments: GR GTAW-20-131
13. **Acceptance - Pima Animal Care Center**
Petco Foundation, to provide for the Petco Foundation Disaster Relief (COVID-19) Grant, \$25,000.00/\$25,000.00, Friends of Pima Animal Care Center Fund Match (GTAW-20-123)
Attachments: GR GTAW-20-123



MEMORANDUM

Date: June 4, 2020

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator *CHH*

Re: **Accela Permitting System – "Software as a Service" / Cloud Migration**

Background

Pima County's last permitting system conversion occurred in 2015. This transition from the Accela Permits Plus application to Accela Automation was a major shift in the Accela system architecture and functionality. Pima County departments involved in development review and permitting activities were able to leverage the Accela Automation platform to further streamline processes and achieve greater efficiencies. These improvement gains have been on full display during the COVID-19 pandemic response by enabling uninterrupted client submittals and department approvals to continue electronically.

Despite this success, Pima County is currently three versions behind the current version of Accela Automation and in need of either doing upgrades to the existing on-premises application or migrating to the Accela "Software as a Service" (SaaS) cloud hosted platform. The Information Technology Department (ITD), along with Public Works departments, have evaluated both options and recommended migrating to the SaaS platform.

This upgrade will allow Pima County to operate on the most current version of the Accela system and will put us in a position to stay current in the future. Under the SaaS model, Accela will provide regular updates and product improvements to ensure their most current products are available for use by the Pima County Public Works departments who depend upon them. A Statement of Work (SOW) has been developed for migrating to the new platform which would replace all existing Pima County Accela-related functionality with no degradation of service, and sets the stage for adding capability in the years after implementation.

The SaaS model provides additional key benefits to Pima County. As SaaS subscriptions are sold under an all-inclusive model, encompassing the costs of operating the hardware, operating systems, databases and functional software, the total cost of ownership for the product is transparent to Pima County. System/Application upgrades in a SaaS environment are applied more frequently, which will smooth out the cost of upgrades and enhancements for the departments year after year. The predictability of the hard costs of vendor payments and soft costs of in-house functions, such as the creation of end user documentation and delivery of training, make budgeting for the support of the system more calculable. New features and functions are delivered to client agencies who use the system more rapidly.

The Honorable Chairman and Members, Pima County Board of Supervisors
Re: **Accela Permitting System – "Software as a Service" / Cloud Migration**
June 4, 2020
Page 2

The cost of the upgrade to the SaaS system is very favorable to Pima County, as compared to maintaining and upgrading the current on-premises system. The six-year total payable to Accela for the SaaS system is \$2,752,620. This compares to \$2,452,832 for the same time period for the on-premises system maintenance and upgrade costs, server and storage costs, and an opportunity cost of redirecting ITD staff to other priority initiatives, such as enhancing and expanding automation for the Department of Transportation. The net increased total cost of ownership over six years, then, is a total of \$299,788.

Accela has agreed to defer implementation costs and some licensing fees making the initial year of the agreement net neutral to Pima County (no increased cost). The cost for year one will be covered by the already budgeted FY 2020/21 maintenance payment for the existing Accela Automation system. The cost increase is minimal over the current maintenance schedule in year two and increases gradually in subsequent years, so that the total cost of ownership to Pima County will actually be less than remaining with the status quo until year five of the agreement. Beginning in FY 2021/22, annual costs will be allocated to user departments based on their count of assigned licenses.

Pima County and Accela have been productive partners for many years, dating to implementation of the original Accela Permits product in the mid 1990's, the upgrading to Accela Permits Plus in the early 2000's and conversion to Accela Automation which is in use today. Accela has structured the upgrade and upcoming years of support in a way that shows their willingness to partner constructively and in a cost-effective manner with Pima County. Migrating to the SaaS model will give Pima County the ability to continue providing permitting services to clients at a low cost and high service level and will afford us the opportunity to further improve and enhance these products and services.

Recommendation

A contract and Scope of Work for implementing the Accela SaaS platform beginning in FY 2020/21 will be on the Board of Supervisors June 9, 2020 Addendum. I recommend approval of the contract.

CHH/mp

Attachment

c: Jan Leshner, Chief Deputy County Administrator
Carmine DeBonis Jr., Deputy County Administrator for Public Works
Yves Khawam, Assistant County Administrator for Public Works
Dan Hunt, Chief Information Officer, Information Technology Department

Fiscal Year	User Count	Total Annual Costs	Maintenance due on existing MA *	On-Prem Upgrade **	Total Due to Accela under Current MA	Cost Avoidance ***	Net Impact
FY21	190	\$ 204,120	\$ (204,120)		\$ (204,120)	\$ (204,120)	\$ (0)
FY22	190	\$ 290,244	\$ (210,244)	\$ (183,000)	\$ (393,244)	\$ (546,544)	\$ (256,300)
FY23	190	\$ 433,101	\$ (216,551)		\$ (216,551)	\$ (369,851)	\$ 63,250
FY24	190	\$ 446,095	\$ (223,047)		\$ (223,047)	\$ (376,347)	\$ 69,748
FY25	190	\$ 680,838	\$ (229,739)		\$ (229,739)	\$ (383,039)	\$ 297,799
FY26	190	\$ 698,222	\$ (236,631)	\$ (183,000)	\$ (419,631)	\$ (572,931)	\$ 125,291
Total 6-year		\$ 2,752,620	\$ (1,320,332)	\$ (366,000)	\$ (1,686,332)	\$ (2,452,832)	\$ 299,788

* Maintenance includes 3% annual escalation, per contract

** Assumes two on-premises upgrades in the next 6 years to regain currency with released versions

*** Includes projected savings from maintenance payments on current MA, upgrade of on-premises version, on-premises servers and storage and reallocation of 1 PCN to other Public Works projects

Dan,

In submitting the data for a memorandum Mr. Huckleberry wrote to the Board of Directors, in which the approval of a new Master Agreement with Accela was recommended, I failed to account for sales tax on either the new or previous contracts. This has led to a discrepancy in the amounts quoted in the memorandum and the BOSAIR submitted for the BOS Agenda Addendum. Below is a table showing the different amounts. The net effect is that the six-year increase in cost to the County is \$406,417 rather than \$299,788, based upon an estimated 10% sales tax rate on the purchases. I sincerely regret this omission and accept responsibility for any confusion it may have caused.

Mark

Fiscal Year	User Count	Total Annual Costs	With Est. 10% Tax	Maintenance due on existing MA *	On-Prem Upgrade **	Total Due to Accela under Current MA	Current MA Amount with Est. 10% Tax	Cost Avoidance ***	Net Impact w/o Tax	Net Impact w/Tax
FY21	190	\$204,120	\$224,532	\$(204,120)		\$(204,120)	(\$224,532)	(\$224,532)	\$0	\$0
FY22	190	\$290,244	\$319,268	\$(210,244)	(\$183,000)	(\$393,244)	(\$432,568)	(\$585,868)	(\$256,300)	(\$266,600)
FY23	190	\$433,101	\$476,411	\$(216,551)		\$(216,551)	(\$238,206)	(\$391,506)	\$63,250	\$84,905
FY24	190	\$446,095	\$490,705	\$(223,047)		\$(223,047)	(\$245,352)	(\$398,652)	\$69,748	\$92,052
FY25	190	\$680,838	\$748,922	\$(229,739)		\$(229,739)	(\$252,713)	(\$406,013)	\$297,799	\$342,909
FY26	190	\$698,222	\$768,044	\$(236,631)	(\$183,000)	(\$419,631)	(\$461,594)	(\$614,894)	\$125,291	\$153,150
Total 6-year		\$2,752,620	\$3,027,882	\$(1,320,332)	(\$366,000)	(\$1,686,332)	(\$1,854,965)	(\$2,621,465)	\$299,788	\$406,417