

PUBLIC WORKS COMMITTEE REPORT
June 22, 2011 11:35 AM
City Council Chambers

Members Present: Jason Wiener (chair), Ed Childers, Dick Haines, Lyn Hellegaard, Bob Jaffe, Marilyn Marler, Renee Mitchell, Dave Strohmaier, Pam Walzer, Jon Wilkins, Cynthia Wolken

Members Absent: Dave Strohmaier

Others Present: Bruce Bender, Steve King, Dan Jordan, Don Verrue, Jolene Ellerton, Gregg Wood, Bob Wachtel, Christina Clark

I. ADMINISTRATIVE BUSINESS

- A. Approval of the minutes of – June 15, 2011 Approved as amended
- B. Announcements None
- C. Public Comment on Non-Agenda items – Bob Wachtel, Bicycle Pedestrian Advisory Board Co-chair and member of the Bike Walk Alliance, stated that the preliminary markings have been added to Bancroft to establish bike lanes from South Avenue to 39th Street. Relevant to that project it came to his attention during his review of the amendments for the Transportation Improvement Program (TIP) that Arthur Avenue was on the 2011 Epoxy Project from South Avenue to South 6th was also included in the TIP amendment as a mill and fill for 2012, he brought this to the attention of the Transportation Policy Coordinating Committee (TPCC), they indicated they would review that and make sure the epoxy paint was not put down a year before the street was to be milled and filled. Steve King assured him they would look into the matter and get back to him with the removal of the epoxy project of Arthur from Beckwith to South Avenue for this year.

II. REGULAR AGENDA ITEMS

- 1. Approve the Accela automation contract with the State of Montana for service costs, annual maintenance, licenses and server hosting, and the statement of work outlining the implementation of services. (memo)—Regular Agenda (Dan Jordan) (Referred to committee: 06/13/11) (REMOVE FROM AGENDA)(HELD IN COMMITTEE REPORTS)

Motion: The committee recommends the City Council approve the Mayor to sign the Cooperative Purchase Agreement with the State of Montana for implementation service costs and annual maintenance for licenses and server hosting for Accela Automation, and approve the Mayor to sign the Statement of Work outlining the implementation services, not to exceed \$894,000.00 and the County Interlocal Agreement, all contingent upon the City Attorney's approval.

Dan Jordan, GIS Manager, gave a brief [presentation](#) to explain the project agreement documents for the Accela automation project. These are the Cooperative Purchase Agreement with the State, the Statement of Work with the State and Accela, and the County Interlocal Agreement. The State would provide the City servers to run our software (for asset management, land management, citizen access, mobile and GIS), storage for our data (permits and licenses), and the City will use the States payment and merchant account for credit card usage and/or checks. The cost was reduced from the original \$822,500.00 to \$805,200.00 by eliminating some of the options we did not need. A cost breakdown was provided to show the cost for implementation, and annual maintenance costs.

Ed Childers asked for an explanation of the Configuration Analysis Systems.

Dan Jordan explained this analysis serves as a blueprint for all design and configuration efforts throughout the implementation project and establishes benchmarks for testing and acceptance at the conclusion of the project. This will detail the core aspects of the configuration to include but not limited to organization and departments, record types, staff assigned to tasks, fees, parcel attributes, security, and inspections.

Jason Wiener said this says we currently have forty six record types, what is a record type and how many do we expect we will actually need.

Dan Jordan said we are planning on adding records such as fence permits once the system is implemented and once the system is complete this work will be done by City staff. In the Cooperative Purchasing Agreement the City or State can terminate the agreement within ninety days with a written notice. This agreement is still being reviewed by the City attorneys to work on some minor differences.

Ed Childers asked what would happen if the State terminated this agreement.

Dan Jordan reiterated that the ninety day time period would allow the City to remove our data from the State to another host and ninety days should be sufficient to do that if necessary.

Jason Wiener asked if there were other onetime costs associated with making a transition to move the data, and in the current agreement is it the State's discretion to impose those costs to us. If the State decides to dissolve the partnership would they impose costs on us for removing the data, the cost should be to the State if it is their decision and not to the City? The State is being enterprising by offering this system to the City, they are generating revenue for themselves and the City is essentially the consumer. If the State decides to go out of business at a cost to the City that is a different situation than the City saying they are unhappy with their service that and withdrawing from the contract. If the City is going to be reliant on the State he would like to know what the consequences would be if the State were potentially unreliable. Dan Jordan said he would ask the City attorneys.

Renee Mitchell said it seems the trend is to pass the costs for permits to the contractors who in return pass those costs to the buyers. Will the City pass those costs to the people who will be using the system? She has not heard from contractors saying they want this system the builders and contractors already feel the permits and fees are exorbitant.

Dan Jordan said there are no current plans to pass any of the costs of this new system to the permits, there would be no transaction fees.

Bruce Bender, Chief Administrative Officer, said the current revenues and fee structures are adequate to sustain the cost of this system; Wastewater and the Building Inspection Department is within their budget, Finance will cover their cost with the general fund, and the County will pay their portion of the annual maintenance. This current system is already being paid for by those funds and this new system is an upgrade to the current system. In the future if the circumstances show that walk in customers decline then we would need a review to determine if the same number of counter people would be needed, it will give us opportunities to examine our efficiencies and our effectiveness.

Bob Jaffe said in general terms he is in favor of this contract and he has heard from contractors that this is something they want. He thinks this is the right direction to go but does not understand the high cost for what the State is doing and he is frustrated over the exorbitant charge for this upgrade.

Bruce Bender said under the current system we are dependent on Accela and there is a limited number of people that have the ability to script write the current system. This new system allows more flexibility and is much more responsive to changes. The City staff will be trained so they can add to the system. The implementation portion to convert to the new system is the majority of the costs.

Jason Wiener said that in prior discussions there were questions about addresses, geocodes and if certain information in the data base would need to be hard coded in the new system, he wanted to know if any progress had been made towards a solution that will make this a smoother transition.

Dan Jordan said it has been decided that we will use our own Missoula County parcel table for addresses and adding new parcels. It would not be any additional work for staff because they are currently doing that work now.

Bruce Bender wanted to respond to Bob Jaffe's comments about the Accela costs. What he consistently hears from all the expertise from the staff level of involvement with Accela, conferences in training and Carl Horton, our Information Technologies Manager, is this an excellent system that is state of the art in the permitting system and fulfills all the e-aspects the system provides for eServices, ePermitting, and eBanking. When the State did the selection process they came to the same conclusion that no one else could compete to the level of services Accela could bring.

Jon Wilkins stated that he is concerned about the cost, a contract with the state, and cost to the City if the State decides to terminate the project. He has talked to contractors and they are very much in favor of this new system.

Dick Haines asked who the contact person for the State is. Dan Jordan said David Cook, the Bureau Chief for the Building Codes Bureau, Department of Labor and Industry and Mike Fields is the computer person.

Renee Mitchell wanted to know what the cost would be if we do not do approve this now.

Dan Jordan said if we delay taking this offer, the cost will increase by an additional \$28,000.00 July 1, 2011.

Christina Clark with Accela said there were also some discounts provided in the pricing that vary from the State contract and that pricing has been in effect since June of last year. If Accela does not have a signed contract from the State the cost will go up \$28,000.00, plus incentives for user conference passes which includes training for your staff, those incentives could not be offered after July 1, 2011.

Dick Haines asked if Accela was in any other state. Christina Clark said Oregon has a large statewide Accela project. Patrick Allen is a contact person in Oregon and she will provide his phone number and email address.

Pam Walzer asked if Oregon was contacted when we were doing research. Dan Jordan said they were not contacted because Oregon did not go live on this program until June 2009. The State was doing evaluations and interviews during that time.

Jason Wiener feels this is part of the business process and it is incumbent upon them to try to make our enterprise as good as possible. The item before them for consideration is the three documents, the Purchase Agreement, the Statement of Work and the County Interlocal Agreement.

Pam Walzer made the motion to recommend the City Council approve the Mayor to sign the Cooperative Purchase Agreement with the State of Montana for implementation service costs and annual maintenance for licenses and server hosting for Accela Automation, and approve the Mayor to sign the Statement of Work outlining the implementation services, not to exceed \$894,000.00 and the County Interlocal Agreement, all contingent upon the City Attorney's approval.

Jon Wilkins asked if this went on our credit card and what the interest rate is. He is not prepared to vote on this issue today and will wait until Monday night's City Council meeting.

Brentt Ramharter, Director of Finance, said he thinks it is in the 4.5% range, definitely below 5%, it would be the same terms we have on the other City leases. This has to be collateralized; they have to

have a level of recourse against us and on software arrangements like this if we do not make the debt payment we would be shut off. This system is at the very core of the type of business the City does. Lyn Hellegaard asked if the City tried to get an InterCap loan from the State since they asked us to participate and the interest rate would be lower than the interest rate from Wells Fargo. Also she would like more clarification on what "they would cut us off" means if we default. If we default we would have to go to the taxpayers for more money to continue the system.

Brent Ramharter said there are different levels of recourse and in this case the bank could not pick the equipment up and take it with them so they would shut us off. The City has to meet all its obligations and this is just another obligation. This system is something that is very vital to the type of business the City does, it keeps our infrastructure going. We always make the debt service payments and they are always made on time.

Lyn Hellegaard asked what this would do to our bond rating if the City defaulted. Brent Ramharter said obviously if you default that is a technical default and you would go from A A bond rating to junk bond status in one day. Going to the tax payers would not be a reasonable approach.

Marilyn Marler made a motion to call for the question.

The Motion was passed with a voice vote.

Jason Wiener asked for a vote on the original motion for approval of the agreements and the authorization to sign the contract not to exceed \$894,000.00 and with the approval of the City Attorney.

The motion was passed with six ayes (Jason Wiener, Ed Childers, Bob Jaffe, Marilyn Marler, Pam Walzer, and Cynthia Wolken), two nays (Lyn Hellegaard and Dick Haines) and two passes (Jon Wilkins and Renee Mitchell).

III. HELD AND ONGOING AGENDA ITEMS

1. Discussion on the sizes of grease interceptors for the restaurant industry ([Grease Interceptor PowerPoint](#)) ([memo](#)).—Regular Agenda (Stacy Rye and Bob Jaffe) (Referred to committee: 04/21/08)
2. Review infrastructure conditions at the locations of serious and fatal traffic accidents: 2007-2009 ([memo](#)).—Regular Agenda (Jason Wiener) (Referred to committee: 01/25/10)
3. T4 America partner support ([memo](#)) – Regular Agenda (Stacy Rye) (Referred to committee: (Referred to committee: 08/16/10)
4. Presentation from Public Works staff regarding proposed process for finding contractors and awarding bids for reconstruction of Russell Street. ([memo](#))—Regular Agenda (Bob Jaffe) (Referred to committee: 11/15/2010)
5. Resolution to change the speed limit on Reserve Street between Brooks and 39th Street. ([memo](#))—Regular Agenda (Wayne Gravatt) (Referred to committee: 01/24/11)
6. Confirm the reappointments of Carol Williams and Theresa Cox to the Missoula Parking Commission for a term commencing May 1, 2011 and ending April 30, 2015.
7. Update from the Parking Commission. ([memo](#))([Parking Fines](#)) ([Policy Review](#)) ([Ltr: Iowa](#)) ([Ltr: Hensley](#)) ([Draft Parking Ordinance](#))—Regular Agenda (Bob Jaffe) (Referred to committee: 03/07/11)
8. Approve the agreement for consultant services with Eli & Associates, Inc. on Project 10-034 England Boulevard right turn lane improvements. ([memo](#)) - Regular Agenda (Kevin Slovarp) (Referred to committee 05/16/2011)

IV. ADJOURNMENT

The meeting adjourned at 12:30 PM

Respectfully Submitted,
Peggy Diamond, Program Specialist
City Public Works Department