



## Agenda Report

**21-1484**

**Agenda Date: 12/7/2021**

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### **REPORT TO COUNCIL**

#### **SUBJECT**

Action on Amendment No. 1 for the Agreement with Accela, Inc. for Land Management Software and Related Budget Amendment

#### **COUNCIL PILLAR**

Deliver and Enhance High Quality Efficient Services

#### **BACKGROUND**

On August 21, 2018, the City Council authorized staff to execute an agreement with Accela, Inc. to purchase a land management software system. The Accela Civic Platform system is offered as a software-as-a-service and consists of a land management software platform with functionality that includes land and parcel management, online permitting, building inspection and code enforcement management. The software will be used Citywide to support a variety of applications:

- Building, Planning, and Housing & Community Services Divisions for online permit submittal and payment services, plan review, inspection scheduling, and internal reporting tools
- Accounting Division for fee and revenue transaction and reconciliation reports
- Municipal Services Division for meter release process workflow
- Land and Property Development Division for processing and tracking site clearances, subdivision maps, title documents, and encroachment permits
- Street Division-Stormwater Division for code enforcement, inspections, fee collection and reports
- Water and Sewer Utilities Department for plan review and fee collection
- Parks & Recreation Department for plan review
- Silicon Valley Power for plan review, fee collection, meter release processes, and small cell site workflow
- Fire Department for 24/7 online permit submittal and payment services, plan review, business licensing, inspection scheduling, and internal reporting tools
- Police Department for special permits and fee collection

#### **DISCUSSION**

As part of the City's contract with Accela, the City is required to purchase a license for each named user of the Accela system. When the software was originally purchased in 2018, the Community Development Department (Department) estimated that 140 named user licenses would be needed for City staff. However, as the City has completed the system design and begun implementation of the Accela system, the City's desired use of the Accela platform has expanded resulting in requests from several departments for additional named licenses. This expansion across multiple City departments will enable improved efficiency in the review of permit applications as well as greater transparency and public access to information, providing a higher level of service to the Santa Clara

community.

The proposed Amendment No. 1 includes the purchase of 100 additional named user licenses, bringing the total number of licenses to 240. The fee for the additional licenses is consistent with the pricing set forth in the agreement at \$1,954 per user/per year in the initial year, with set increases each year over the remaining term of the contract. The purchase of additional licenses over a five-year term will increase maximum compensation by \$1,420,640 for a revised maximum compensation amount of \$2,639,300. Amendment No. 1 will also extend the term of the agreement by two years, ending on November 29, 2025. This extension will put all 240 licenses on the same renewal cycle.

The approval of Amendment No. 1 will increase staff productivity and enhance customer service for the City's permitting process by allowing expanded use of the Accela system to coordinate City activities and enhance internal communication and collaboration across more work functions.

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378 (a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

### **FISCAL IMPACT**

The fee for the additional licenses is consistent with the pricing set forth in the agreement at \$1,954 per user/per year in the initial year, with set increases each year over the remaining term of the contract. The purchase of additional licenses over a five-year term will increase maximum compensation by \$1,420,640 for a revised maximum compensation amount of \$2,639,300. (Attachment Exhibit 2).

The total annual increase in subscriptions costs is \$195,380, with a prorated cost of \$179,025 for FY 2021/22. In FY 2021/22, the total estimated cost for licenses is \$466,727. The current budget for Accela annual licenses costs is \$348,530 in the General Fund as well as \$60,000 in the utility funds (Sewer - \$15,000, Water - \$15,000, and Electric - \$30,000). This budget was based on 140 licenses and contingency costs. An increase of \$58,197 is necessary to cover the cost of additional licenses for the remainder of FY 2021/22. This cost would be addressed by the use of the Technology Fee Reserve (\$48,197) and an additional contribution from the Electric Utility Fund (\$10,000). The Electric Utility Fund has sufficient funding to absorb the additional cost of \$10,000.

A budget amendment is recommended to shift funding of \$48,197 from the Technology Fee Reserve to the Non-Departmental Citywide Programs.

### **Budget Amendment FY 2021/22**

Current	Increase/ (Decrease)	Revised
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### **General Fund Expenditures**

Non-Departmental - Citywide Programs	\$46,998,766	\$48,197	\$47,046,963
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Reserve

Technology Fee Reserve	\$1,078,241	(\$48,197)	\$1,030,044
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Appropriations needed in future years will be incorporated into the annual budget process.

**COORDINATION**

This report has been coordinated with the Information Technology Department, Finance Department, and City Attorney's Office.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

1. Authorize the City Manager to execute Amendment No. 1 to the Agreement and order documents with Accela, Inc. to purchase additional software licenses for Land Management Software and increase the maximum compensation by \$1,420,640 for a total maximum contract compensation of \$2,639,300, subject to the appropriation of funds; and
2. Consistent with City Charter Section 1305, *"At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the **affirmative votes of at least five members** so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget,"* approve a FY 2021/22 budget amendment in the General Fund to increase the Non-Departmental Citywide Programs Budget by \$48,197 and decrease the technology fee reserve by \$48,197 (**five affirmative Council votes required for use of unused balances**).

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Amendment No. 1\_Accela, Inc. Agreement
2. 2018 Agreement with Accela, Inc.