TO:	CHAIR AND MEMBERS FINANCIAL MANAGEMENT COMMITTEE	**DATE:**	2018 March 05
FROM:	CHIEF INFORMATION OFFICER DIRECTOR PLANNING AND BUILDING	**FILE:**	1910-01

SUBJECT: **LICENCE, INSPECTION AND PERMIT SYSTEM REPLACEMENT (PHASE 1) – CLOSE-OUT REPORT**

PURPOSE: To provide an update to the Committee and Council on the successful completion of the project to replace the City's legacy Permit*Plan system with the new Tyler EnerGov system.

RECOMMENDATION:

1. **THAT** the Financial Management Committee receive and forward this report to Council for information.

REPORT

1.0 BACKGROUND

In April 2016, the City commenced the Licence, Inspection and Permit System Replacement (LIPS) project with the goal of replacing its previous Permit*Plan system with a new software application that would enhance service delivery to Burnaby residents and businesses, and reduce the business and technical risk associated with the aging legacy system. The issuance of permits and licences at the City represents the processing of around 23,000 cases, 40,000 referrals and 50,000 inspections each year.

Staff conducted an extensive market search before selecting the Tyler EnerGov solution. Council awarded a contract to Tyler Inc. in July 2015 for $3.4M covering software licences and professional services for the software implementation. Phase 1 of the project was estimated to cost a total of $8.9M and included costs related to software licences, hardware, contingency and additional City staff hired to assist with the implementation and integration of the selected solution. The duration of Phase 1 was estimated to be 18 – 24 months.

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Phase 1 of the project focused on replacing core Permit*Plan functionality for the Planning, Building and Licence departments, as well as some Engineering case types that support core Planning and Building processes. Additional functionality included integration with other City systems required to ensure effective operation of the purchased solution (e.g., Point of Sale, SAP and GIS), as well as development of EnerGov as a platform for future functionality such as online services.

2.0   RESULTS OF PHASE 1

Phase 1 began in April 2016 and the EnerGov software went live on October 2, 2017. The go-live was well planned and executed, with minimal disruption experienced for front counter staff and those who do business with the City. The project delivered the following:

- Licence, inspection and permit processes are up and running in the new EnerGov system, including automated work flows and documents
- A new mobile inspections application was launched which allows inspectors to schedule inspections, complete reports in the field and file results without returning to the office
- Automated integration of related Engineering functions into the land development processes
- Conversion of the annual business licence printing and payment process to EnerGov; the 2018 business licence renewal process was completed successfully in the new system
- Implementation of the new 2018 fees schedule
- Ability to display land parcels and property information via GIS
- Integration between EnerGov, the Point of Sale system and SAP financials.

LIPS Phase 1 has delivered the following business benefits:

- The permits and licensing functionality contained in the legacy Permit*Plan system has been transferred to the new EnerGov system and Permit*Plan has been restricted to read-only use for the majority of users
- Enhanced co-ordination of work and transparency of information between departments as a result of shared information within the system
- Staff has the ability to provide information to permit applicants on application review and approval status more efficiently
- Enhanced customer satisfaction with online receipt of an inspection report
- Reduction of paper processes and manual re-keying (e.g., fees and bonds in Engineering)
- Improved financial visibility and control as a result of enhanced integration between EnerGov, SAP and the new Point of Sale system implemented 3Q2017.

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The total approved budget for the project was $8,900,000, and the final project cost (including warranty, early stabilization period and final project close out) is expected to be $8,850,000. Details of project budget to actual expenditures are provided in Appendix 1. The annual support and maintenance cost for the EnerGov software is $300,000 (by year 5). Interim operating funding of $435,000 is provided in the 2018 budget to conduct project post go-live stabilization and sustainment work. During this post go-live stabilization period in 2018, the LIPS team will assess the long term sustainment costs of the EnerGov platform and will include the annual operating funding requirement in the future operating budget.

The EnerGov system has now been in production for five months. Staff is increasingly familiar with the new system and processes, and business is continuing as usual with minimal disruption for customers. The EnerGov product itself is robust and sustainable, and the vendor is investing in future functionality to ensure the long term viability and vitality of the product. Staff has also recommended other business processes where EnerGov could add value to their daily work and these are being explored for future phases of LIPS, subject to cost justification.

3.0   FUTURE PHASES

The original program plan for LIPS outlined three project phases, with future phases building on the EnerGov platform to deliver additional case types, online services, and electronic documentation and plan checking. In 2015, Council approved Phase 1 of the program, with the understanding that subsequent phases would be cost justified based on overall value to the City.

Following the successful launch of EnerGov in 2017, the work plan for 2018 will focus on optimizing the value of the initial investment. The LIPS team will continue to familiarize itself with the new system with a view to long-term sustainment of the platform by City staff. The team will also conduct an upgrade to the latest version, convert the remaining manual Engineering case types and complete any enhancement requests with a high business value. In 2018, the LIPS team will evaluate a pilot version of the new Customer Self-Service platform and develop the business case for new permits and licensing online services. A further report will be submitted to the Committee for consideration when the evaluation is complete.

The legacy RS/6000 hardware on which the Permit*Plan permits and licensing module was housed, is also used to manage and maintain property, address and ownership data and to feed the Burnaby Property Database (BPD). This data repository supplies essential property information to the City's Geographical Information System, BurnabyMap and Energov, as well as to the BC Assessment and Land Title and Survey Authorities. The legacy hardware cannot be fully retired until all data and associated processing can be migrated to an alternative platform. It is anticipated that the software purchased for the new Property Tax System (PTS) will meet this need for property data by other departments and users. A project that addresses the storage, management and integration of property information for land development, permitting and licensing and other City processes will be brought forward to the Financial Management Committee for consideration as soon as the PTS scoping exercise is complete.

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4.0   RECOMMENDATION

It is recommended that the Financial Management Committee receive and forward this report to Council for information.

Shari Wallace
CHIEF INFORMATION OFFICER

Lou Pelletier, Director
PLANNING AND BUILDING

SJW:sjw

cc: City Manager
            Director Corporate Services
            Director Public Safety and Community Services
            Director Engineering
            Director Finance
            City Solicitor
            Chief Licence Inspector

APPENDIX 1
LIPS Phase 1 – Budget to Actuals Details

Category	Resource / Service	Project Budget	Project Actuals	Comments
1. Project Resources	City Staff	2,120,324	2,772,829	*Additional City staff were deployed for testing and implementation; this ensured a smooth go-live and minimized disruption to citizens and businesses.*
2. Implementation Services	Professional Services - Non-Tyler	1,830,767	1,179,653	*Under budget - ended up using more staff than consultants on the project*
	Professional Services - Tyler	2,036,593	1,901,054	*Under budget - built internal staff expertise in favour of external consultants.*
3. Software & Licences	Software and Maintenance - Tyler	1,634,662	1,689,201	*Actual number of licences were slightly higher than the original project estimate.*
	Software & Licences - Non-Tyler	1,030,854	663,199	*Includes database licences and server operating systems; actuals were less than original project estimate.*
4. Infrastructure/Hardware	Hardware & Peripherals and Supplies	324,800	504,043	*Additonal servers and storage were required to ensure efficient operation of EnerGov; iPads were also needed to run the iG-Inspect mobile application.*
5. Miscellaneous	Final project close-out		138,750	*Clearance of final commitments and etc.; final costs could be less than current estimate.*
	Grand Total	**8,978,000**	**8,848,728**	*Under budget by 1.44 - 2.98% depending on clearance of final commitments.*