



CITY COUNCIL STAFF REPORT

MEETING DATE: November 28, 2022

ITEM TITLE: Adopt a Resolution Appropriating \$500,000 from the Restricted Technology Surcharge Account in the General Capital Fund in Fiscal Year 2022-23 to Create a Capital Improvement Project to Replace the Existing Permitting Software System.

RECOMMENDATION:

Staff recommends that the City Council adopt a Resolution appropriating \$500,000 from the Restricted Technology Surcharge Account in the General Capital Fund ("Fund 0025") in Fiscal Year ("FY") 2022-23 to create a capital improvement project to replace the existing permitting software system.

FISCAL IMPLICATIONS:

This action will require a one-time appropriation from the restricted Technology Surcharge Account in Fund 0025 to establish the budget for this project.

The City currently collects a Technology Surcharge equal to 0.4% of each Planning and Building division fee charged, as well as selected Public Works Department fees for improvement and grading projects. Revenue from this fee is allocated to a restricted account in Fund 0025 to fund updates and maintenance to technology used to manage the permitting process. There is currently approximately \$560,000 in funding available that must be used for this purpose.

BACKGROUND:

Prior to 2011, the City used Tidemark for its permitting application, which had reached the end of its useful life and support. In 2011, a request for proposals ("RFP") was issued for a new permitting application to be used by the Community Development and Public Works departments to issue and track permits, and to process inspections, site plan reviews, and code enforcement violations.

At the close of the RFP process, the City Council approved an agreement for the installation and use of the Trakit Development System ("Trakit") permitting software system with CRW Systems, Inc. ("CRW") in the amount of \$200,000. Implementation of the software totaled \$199,000 and was completed in FY 2011-12.

In June 2015, CRW was purchased by Sungard Public Sector, which was subsequently purchased by Superior, LLC ("Superior") in February 2017. In 2018, Superior merged with three other public sector software companies to form CentralSquare Technologies. The software license and support agreement automatically transferred to the new vendor, CentralSquare Technologies.

In June 2022, the City Council approved a resolution authorizing the City Manager to sign a Professional Services Agreement with CentralSquare Technologies in an amount up to \$25,000 for an upgrade to Trakit.

ANALYSIS:

Prior to the 2022 upgrade, the version of Trakit that the City had been using was the same version initially implemented in 2011. Since that time, minor updates and patches were applied to the system as the ownership changed hands.

Since the 2022 upgrade, staff has encountered several challenges ranging from numerous technical issues to misaligned expectations. A significant technical issue was the inability of the system to properly process e-check payments through the web portal. When the system processed e-check transactions, Trakit would apply a credit card processing fee. The credit card processing fee was higher than the e-check fee. This issue created reconciliation problems in the Finance Department and required numerous refunds to be processed to refund the misapplied fees. Although this problem was reported to CentralSquare technical support, it took numerous phone calls and emails over roughly six months to resolve the issue.

In addition to the e-check transaction issues, the eTrakit public portal system was difficult to log in to and does not allow users to reset a forgotten password. When a customer tried to reset their account, the system would continually display an invalid error page. After exhaustive investigating, staff was able to fix the issue manually, however user login issues persist.

To redistribute support calls for user login complaints, the City created a separate ticketing area to allow the public to get their accounts functioning properly. By doing so, the Building Division was able to focus on processing permit applications and schedule inspections. Even as staff made changes to processes, the lack of support from CentralSquare continues to impact day-to-day operations.

Approval of this action will allow staff to issue an RFP for an alternative permitting software system. This system must be able to serve the public seamlessly, process payments efficiently, and allow staff to continue with permit issuance. Once a vendor is selected, staff will return to Council for approval of the contract.

ALTERNATIVES:

The alternatives available to the City Council include:

1. Adopt a Resolution appropriating \$500,000 from the Restricted Technology Surcharge Account in the Fund 0025 in FY 2022-23 to create a Capital Improvement Project to replace the existing permitting software system; or
2. Do not adopt the Resolution; or
3. Provide staff with alternative direction

Respectfully submitted by:

Chris Valley, Building Official; and

A Savay, Community Development Director

Approved for submission by:

A handwritten signature in black ink, appearing to read 'J. Maltbie', written over a horizontal line.

Jeff Maltbie, City Manager

ATTACHMENT(S):

1. Resolution