



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Christopher M. Moore
Jennifer A. Maguire
Stephen R. Ferguson
Scott P. Johnson

SUBJECT: SEE BELOW

DATE: February 7, 2011

Approved

Date

2/17/11

COUNCIL DISTRICT: City-Wide

SUBJECT: REPORT ON REQUEST FOR PROPOSAL FOR AN AUTOMATED FIELD REPORTING AND RECORDS MANAGEMENT SYSTEM (AFR/RMS) FOR THE POLICE DEPARTMENT

RECOMMENDATIONS

- A. Adopt the following 2010-2011 Appropriation Ordinance and Funding Sources Resolution Amendments in the Supplemental Law Enforcement Services (SLES) Fund (Fund 414):
1. Increase the Earned Revenue by \$101,332; and
 2. Increase the SLES Grant 2010-2012 appropriation for the Police Department in the amount of \$101,332.
- B. Accept the report on the Request for Proposal (RFP) for the purchase of an Automated Field Reporting and Records Management System (AFR/RMS) for the San José Police Department (SJPD) and adopt a resolution authorizing the Director of Finance to:
1. Negotiate and execute an agreement with Versaterm Inc. (Ottawa, Ontario, Canada) for the purchase of an Automated Field Reporting and Records Management System (AFR/RMS) and implementation of Phase 1 (AFR portion only) to include system development, hardware, software (including third party licenses), installation, related professional services, taxes, and first year warranty period, for a not-to-exceed amount of \$3,368,576; and
 2. Execute an option to expand the scope of services to include Phase 2 (RMS implementation) in an amount not to exceed \$715,803, subject to the appropriation of funds; and

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3. Negotiate and execute an amendment to the agreement with Versaterm Inc. to expand the scope of services to include Phase 3 (RMS modules interface) in an amount not to exceed \$996,355, subject to the appropriation of funds; and
4. Execute change orders to cover any unanticipated changes in the system design and implementation for a not-to-exceed amount of \$635,514 for Phases 1, 2 and 3, subject to appropriation of funds; and
5. Execute one-year options to extend the agreement to provide ongoing maintenance and support after initial implementation of each applicable phase, subject to the annual appropriation of funds.

OUTCOME

Provide the SJPD with an integrated, state-of-the-art Automated Field Reporting and Records Management System (AFR/RMS) to equip police officers in the field with electronic report writing and data query capabilities. The new AFR/RMS will enhance organizational efficiencies at every level of the SJPD by:

- automating report writing;
- consolidating records management;
- streamlining workflow of cases;
- increasing report quality and accountability;
- automating records retention schedules; and
- expediting retrieval of law enforcement information.

In addition, the new AFR/RMS will provide SJPD users with 24/7 access to information with efficient search, query and data analysis capabilities. It will enhance the Department's ability to meet and comply with rigorous federal, state and local records retention, expungement and sealing regulations and policies such as the State of California's Public Records Act (PRA) requirements.

EXECUTIVE SUMMARY

On November 17, 2009, the City Council approved an update on the AFR/RMS project and gave authorization to release the AFR/RMS RFP. An Implementation Team consisting of twenty-seven cross functional members (both sworn and civilian) were appointed including representation from the City Manager's Office, City Attorney's Office, Information Technology Department, and from various units within the SJPD.

This memorandum provides the City Council with a report on the RFP process. After a thorough and complete evaluation, staff recommends award of contract for the purchase and installation of an AFR/RMS System to Versaterm Inc. (Canada); which submitted the most advantageous proposal to the

City. The proposed solution from Versaterm will greatly enhance efficiencies through automation of voluminous field reports, shortening the approval process for reports and automating storage and retrieval of all Police related records.

Given current funding availability, SJPD is requesting that Council proceed with a contract to Versaterm, Inc. for Phase 1 for a total amount not-to-exceed \$3,368,576 to implement the AFR system. This amount will be entirely funded through grants currently available. Section 3 of Table 7 contains a list of all grants being utilized to fund Phase 1.

SJPD has also secured full grant funding for Phase 2, which will become available in FY 2011-2012. Section 4 of Table 7 shows the pending grant awards for Phase 2. The SLES 2010-2012 grant has been awarded and Council has approved the spending plan for the grant, which includes \$800,000 for the AFR/RMS project. This grant is paid quarterly to the City and as funds come in, they will be appropriated to the project. The UASI 2010 grant will also be used for Phase 2. The City anticipates an MOU for this amount in February 2011.

When Phase 1 is successfully completed, the City will execute an option to issue a "Notice-to-Proceed" and funds will be appropriated for a total amount not-to-exceed \$715,803 for the RMS implementation (Phase 2).

Currently, Phase 3 is estimated at a not-to-exceed amount of \$996,355 and would require a contract amendment because the scope will need further refinement and identification of requirements upon completion of Phase 1 and 2. SJPD has applied for grant funding to cover this cost. The Department has also established a contingency reserve for each phase should the project require additional components. Should the reserve not be needed, it will be utilized for Phase 3 of the project.

Ongoing maintenance support for the new AFR/RMS will be needed once the warranty period for the new system has expired. This will impact the General Fund since ongoing maintenance costs typically are not paid through grant funding. The total Phase 1, 2 and 3 costs for the first five years of maintenance after the initial one-year warranty period for each phase is \$2.26 million as shown below in Table 1. These costs, which would be incurred between FY 2013-2014 and FY 2017-2018, would average \$452,166 per fiscal year. A portion of the \$2.26 million total cost would be offset by maintenance fee savings of \$880,000 from the existing system over the five-year period. The remaining ongoing maintenance of approximately \$1.38 million (\$276,000 annually) will be factored into the General Fund Five-Year Forecast.

Table 1

Phase	Versaterm Contract (w/o 5-yr Maintenance)	5-yr Maintenance*	TOTALS
Phase 1- AFR	\$3,368,576	\$1,888,519	\$5,257,095
Phase 2- RMS	\$715,803	\$172,413	\$888,216
Phase 3- Interface Implementation	\$996,355	\$199,900	\$1,196,255
TOTAL	\$5,080,734	\$2,260,832	\$7,341,566

* See the end of the Cost Summary/Implications Section for the annual breakdown

BACKGROUND

The SJPD has a critical need for an Automated Field Reporting (AFR) system. Currently, the reporting process for police officers is manual and labor intensive. Police officers prepare handwritten reports that must be completed by the end of their shifts. Paper reports are subsequently reviewed and approved by supervisors and submitted to Police Data Specialists for input into the Records Management System (RMS). Reports are manually copied and transmitted to a variety of SJPD enterprise users, other governmental and law enforcement agencies, and the public at large. In addition, handwritten reports are manually entered into a number of in-house, custom applications, third-party products and ad-hoc databases. The SJPD's Operations Support Services Division (OSSD) staff processes approximately 106,000 reports annually. With the current volume and on-going staffing shortages, there is a twelve to fifteen day data entry backlog. The backlog result in delays in providing reports to the public, processing requests for information and severely inhibits the SJPD's crime analysis capabilities.

The current RMS system was implemented in 1997 and consists of applications that are served via an independent, proprietary Wide Area Network distributed to approximately 1,400 end-user workstations (950 workstations and 450 Mobile Data Computers), over 150 diverse print devices at twenty-five separate facilities within the City. In addition, the South San José Police Substation will need to be connected to this system via fiber optic cabling for full records system functionality when it is opened.

The existing RMS solution is outdated and is very inefficient from a data entry standpoint due to:

- Single events requiring entry on multiple pages or tabs and a manual process is used to link records with other related events. This has led to officers only collecting the minimum amount of information needed and creation of multiple records for one person.
- RMS users rely heavily on queries using Crystal Reports for both ad-hoc and routine reports. As a result of a number of factors, including the architecture of the database, SJPD's network, and the system, RMS users experience significant degradation of system performance while these queries are being run resulting in significant backlogs and discourage use of the existing RMS.
- Police records are currently processed in a variety of methods and data systems. These methods and data systems have been adopted/implemented over time as a means of speeding up the records processing time but provide the end user with minimal data availability.
- Various types of police records are not currently entered into the RMS resulting in both staffing and system efficiency issues. These documents are filed and copied as needed to meet the needs of the end users, other governmental agencies, and/or the public.

Due to the limitations of the current environment, which is a very manual and labor intensive process and prone to human errors and inefficiencies, SJPD has embarked on an initiative to acquire and implement an integrated AFR/RMS that will improve accuracy, speed, overall efficiency and

effectiveness through automation features, reducing redundancy in workflow, and provide critical data and tools to the other SJPd users. SJPd seeks to acquire and deploy a single, highly integrated solution that will work with, but not be limited to, electronic document imaging and storage, field reporting, case management, crime analysis and mapping. To assist with this effort, the consultant URL Integration was hired in November 2008 to assist with the specification development to be included in the RFP solicitation.

On November 17, 2009 (Item 3.6), the City Council accepted the Automated Field Reporting and Record Management System ("AFR/RMS") Project update. This update provided detailed information about the AFR/RMS project, estimated funding for the project, and a Return on Investment (ROI) Study submitted by URL Integration, the City's consultant for this project.

The SJPd's vision is to replace the existing RMS with an integrated AFR/RMS to eliminate redundant paperwork and allow for a more effective delivery of public safety services to the community. Such a system will allow officers to submit reports from the field that are routed automatically for approval. This process will significantly decrease the time between when a report is created and the data is stored and available for retrieval by staff to respond to concerns or crime trends in the community. By automating the fields in which an officer must collect data, it will also increase the quality of reports that are being submitted.

Due to the complexity, size, scope and funding availability, AFR/RMS implementation will occur in three-phases to enable an approach that is flexible with minimal customization. A "Notice-to-Proceed" will be issued for Phase 2 and an agreement amendment will be negotiated and executed for Phase 3. Executive staff will meet in January 2013 to determine if adequate grant funding exists to proceed with Phase 3 of the project.

<u>Phase</u>	<u>Timeline (est.)</u>	<u>Description</u>
Phase 1: AFR Implementation	March 2011- May 2012	The AFR component of the System will allow officers in the field to prepare and submit reports electronically as the foundation for the record that ultimately will be stored in the new RMS for workflow management. The first phase is fully funded through grants.
Phase 2: RMS Implementation	June 2012- January 2013	The RMS component of the System will provide for electronic document management, content management and storage functionality. This second phase will be fully funded by the SLES 2010-2012 and UASI 2010 grants that will become available in FY 2011-2012.
Phase 3: Interface Implementation	February 2013- May 2013	Interfaces will be developed for various systems such as Citation Upload from Court, Field Interview Upload from E-Cites, IA Pro, Coplogic, Admin Cites/Rev Plus, Shift Change Program, Coplink and PeopleSoft. Currently, SJPd has grant applications pending for this phase.

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ANALYSIS

Prior to issuing the RFP, an expanded Implementation Team was created to oversee project progress, promote accountability and delineation of roles and responsibilities to ensure adequate support and commitment to a very complex and high profile procurement. The Implementation Team consisted of five subset groups: 1) SJPD Management, 2) Executive Governance with executive representation from SJPD, Information Technology, City Manager's Office and City Attorney's Office, 3) Purchasing, 4) Technical Team, and 5) Advisory Team with subject matter experts from various Police units.

On December 18, 2009, the Finance Department released a RFP for a fully integrated AFR/RMS System through the City's e-procurement system. A total of 197 companies viewed the RFP, 17 companies were represented at the mandatory pre-proposal conference, and eight proposals were received by the March 15, 2010 deadline as follows:

1. Capita Technologies, Inc. (Irvine, California)
2. Global (Oklahoma City, Oklahoma)
3. Intergraph (Huntsville, Alabama)
4. Motorola (Westminster, Colorado)
5. New World (Troy, Michigan)
6. Niche (Winnipeg, Manitoba, Canada)
7. Tiburon (Pleasanton, California)
8. Versaterm (Ottawa, Ontario, Canada)

The RFP stated that award of the contract would be based on the following criteria: Technical (40%), Experience (25%), Cost (25%), and Leveraging of Infrastructure (10%).

Technical Evaluation (40%): The technical evaluation included functionality and ease-of-use of the proposed solution. A seven-member Technical Evaluation Committee reviewed the proposals. There was representation from the Bureau of Administration, Bureau of Investigations, Bureau of Field Operations, Bureau of Technical Services, Police Officers' Association and the Information Technology Department.

Proposals were independently evaluated and scored by each team member and discussed only in a group setting. The technical evaluation consisted of a thorough review of each company's written proposal for management approach, technical capability, product functionality, and experience. Upon conclusion of this phase of the evaluation, the evaluation team concluded that the proposal from Capita Technologies, Inc. did not score sufficient points to advance in the evaluation process since they did not propose a commercial off-the-shelf solution as required in the RFP. Capita Technologies, Inc. was notified of the City's decision on April 26, 2010.

Oral Interview/Product Demonstration: All seven remaining Proposers were required to provide a two-hour presentation and product demonstration of their solution. Proposers were required to demonstrate the entire report workflow including creation, approval, validation, linking records,

Uniform Crime Report (UCR) extraction/submission, report printing, case management, and any other functionality that distinguishes their product. Upon conclusion of the oral presentations/product demonstrations, the scores were adjusted for the Technical Evaluation criteria. The final scores are demonstrated in Table 2 below.

Table 2

	Company Name (by Technical ranking)	Technical (40 Points)
1.	Versaterm (Canada)	31
2.	New World (Michigan)	31
3.	Tiburon (California)	26
4.	Niche (Canada)	23
5.	Motorola (Colorado)	21
6.	Global (Oklahoma)	19
7.	Intergraph (Alabama)	19

Pursuant to the process specified in the RFP, only the top scoring proposers for the Functionality/Technical category would be invited to return for the benchmarking testing phase. Therefore, the top two scoring proposers: 1) Versaterm and 2) New World were invited to participate in the benchmark testing phase of the evaluation process. Proposers that did not make the short list were notified of the City's decision on June 11, 2010.

Benchmark Testing with Finalists: Proposers receiving the highest ratings for the technical evaluation category were invited to return for in-depth benchmark testing. The two finalists demonstrated specified benchmark tests to validate system functionality to the Implementation Team. Proposers also provided hands-on sessions for all Department members who were interested, with 114 employees participating.

Reference Checks of Finalists and Site Visits: The references submitted by each finalist were contacted and asked a series of questions designed to verify the ability of each Proposer to successfully perform and complete the requirements of the RFP. In addition, staff selected a California customer reference for each finalist to conduct a site visit to. Staff visited the Sacramento (Versaterm customer site) and San Francisco (New World customer site) police departments to further verify and see first hand customer demonstration of the Proposer's solution in a live production environment. The evaluation team was allowed to make final adjustments to their respective scores based on the reference results.

Cost Proposals (25%): Proposers were required to provide a comprehensive cost proposal that included all required software, hardware and related professional services for project management, configuration, installation, interfaces, implementation, testing, training, initial warranty, and five year maintenance and support for each of the three phases. Cost proposals were not disclosed to the evaluation team prior to the completion of the benchmark testing evaluation so as not to inadvertently influence the technical evaluation.

Best and Final Offer (BAFO): The finalists were also required to submit a BAFO which was issued on October 8, 2010 to make final clarifications and to provide one final opportunity for each proposer to submit a final cost proposal. Both finalists submitted a BAFO by the October 27, 2010 deadline. The final scores and ranks are summarized in Table 3 below:

Table 3

Evaluation Criteria	Maximum Points	Versaterm (Canada)	New World (Michigan)
Experience	25	24	18
Functionality/Technical and Ease of Use	40	40	35
Leverage Infrastructure	10	5	6
Cost	25	18	25
Total Points	100	87	84
BAFO Cost		\$7,647,196	\$5,497,475

Protest Period: The RFP provided for a protest process for unsuccessful Proposer's to protest staff's award recommendation. The ten-day protest period commenced when Proposers were notified of the City's Notice of Recommendation of Award issued on December 6, 2010. No protests were received.

Local and Small Business Preference: Due to the federal stipulations in the grants being used to fund this project, the RFP solicitation did not include the Local and Small Business Preference.

Award Recommendation: Staff recommends the award of contract to Versaterm Inc. The evaluation team unanimously agreed that their proposed solution is the most advantageous and the best value to the City. Versaterm's proposal scored highest overall; meeting or exceeding all of the RFP specifications. Versaterm's solution is being recommended because it was found to be superior in the following key areas:

- Extensive experience and expertise in the development, installation and support of large integrated AFR/RMS Systems that was proven through multiple references. All references and customer site visits were very positive.
- Track record of successful implementations in California, reliability of installed systems and superior customer service as validated through reference checks and site visit. California implementations include Sacramento, Fullerton, Anaheim, Bakersfield, Santa Barbara, Simi Valley and Walnut Creek Police Departments and Sacramento Sheriff's Department. Successful California implementations are critical because of unique reporting requirements in California.
- Overall ease of use in the field and at the management server.

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- A highly configurable solution that will facilitate workflow configuration (without costly customization) to improve efficiency by eliminating duplicate processes and redundant entry.
- A robust project management approach. It included an extensive training approach and a comprehensive review of interfaces.
- Richest in functionality and features; ranked highest in functionality for the following modules: Calls for Service & Geofile, AFR, Field Interview, Incident & Crime Reporting, Arrest & Booking, Property & Evidence, Citation, Traffic & Accident, Juvenile Contact, Investigative Case Management, Warrants & Protective Orders, Crime Analysis, Crime Lab & Central ID, Personnel & Training, Equipment & Asset Management, Fleet, Secondary Employment, Permits & Licenses, Content Management, RMS System Administration and RMS Query & Reporting.

While the overall scores between Versaterm and New World were relatively close, it is important to note that Versaterm scored higher in experience and technical use. In addition, they submitted the most detailed and comprehensive proposal that demonstrated a superior understanding of the City's requirements throughout the proposal and presentation process. Based on reference checks with Denver, CO, Austin, TX, British Columbia, Canada and the site visit with Sacramento, CA the City feels confident that Versaterm will be able to implement the entire system while staying within budget and on time.

The implementation of Versaterm's AFR/RMS and its inherent automation of workflows will greatly improve the productivity of various units within the SJPD (i.e., field operations, investigations and support functions, management etc.) resulting in overall efficiency, reducing backlog of reports, improve cycle times, data collection and analysis and position the SJPD for the future. Additional benefits are summarized below:

- Provide one-time data entry (reduce or eliminate redundant entry);
- Flexible and scalable to adapt with an ever-changing department;
- Facilitate integration and use of inter-agency data sharing initiatives;
- Provide a high level of availability, security and reliability;
- Meet National Incident Based Reporting System (NIBRS) compliance requirements.
- Improve investigative efficiencies;
- Centralize storage and management of police data;
- Increase availability of investigative data to police staff;
- Improve management report tools; and
- Provide a high level of user satisfaction.

Summary of Versaterm Agreement: Due to the complexity, size and scope, the AFR/RMS project will be implemented with a three-phase strategy as mentioned above. Staff is requesting authority to negotiate and execute an agreement with Versaterm Inc. that includes fixed pricing for professional services, software licenses, implementation, integration, training, maintenance, a detailed statement of

work defining all deliverables, a compensation schedule with payments tied to the City's acceptance of key project milestones. Subject to appropriation of funds, the City intends to:

- Issue a "Notice-to-Proceed" for Phase 2 to implement the RMS part of the System.
- Negotiate and execute an amendment for Phase 3 to refine the scope of services in relation to the various required interfaces.
- Execute one-year options to extend the agreement to provide ongoing maintenance and support after initial implementation and first year warranty for each phase.

City staff is currently negotiating the agreement with Versaterm. The City has negotiated a payment schedule with payments tied to the successful completion of project milestones including a 25% withhold of final payment to be paid at the completion of each phase, contingent upon the City's final acceptance of the phase. Additionally, Versaterm has requested changes to the City's standard terms and conditions. Versaterm initially requested to revise the City's standard indemnification provision which does not have a cap on limitation of liability to include a limitation of liability provision of up to \$1 million for claims covered by its insurance and up to the license fees for claims not covered by insurance. However, due to the contract price, complexity of the project, and other factors, staff rejected this request. The parties were able to agree on an aggregate limitation of liability on all claims of any kind by the City to an amount not to exceed ten million dollars (\$10,000,000), subject to City Council approval. Staff believes this is reasonable based on the contract price of \$7,341,567, what other California agencies have agreed to for similar contracts, and the likelihood that all aggregate claims will be covered under the \$10,000,000 limitation. Staff recommends that the City Council authorize the Director of Finance to negotiate the agreement with the Indemnification and Limitation of Liability provisions described above.

Sustainment Team: To ensure successful implementation and execution of the AFR/RMS project, a Sustainment Team has been established to provide subject matter experts from various SJPD units. The Sustainment Team consists of ten members re-assigned to this project full time. The team will be responsible for evaluating current business practices, identifying changes proposed in the new system, development of database structures, testing the system and will serve as trainers for implementation of the AFR/RMS system. Upon project completion, they will be tasked with on-going program sustainment. For more details on the composition of the Sustainment Team and the impacts on existing service delivery associated with the reallocation of duties, refer to Attachment I.

The project will be managed internally by PD staff. Project Management will continue to utilize the Implementation Team (as described on page 6) to monitor project progress within the allotted budget and timeline. Management will promote accountability of the Sustainment Team and the Vendor's project team to ensure the scope is maintained and problems are identified early, so as to keep costs within the allocated contingency amounts.

Green Vision: The purchase of an AFR/RMS does not directly affect the City's stated ten Green Vision Goals. However, the ability to electronically write, route and store reports will reduce the Department's paper consumption and will decrease the requirement of a large warehouse to store original paper records. The AFR/RMS System will have a positive impact to the environment by

reducing paper reports and ultimately indirectly contributing to waste reduction efforts and is consistent with the City's long term sustainability goals. The system will also be programmed to automatically comply with local, state and federal records retention regulations.

EVALUATION AND FOLLOW-UP

Action taken by the City Council on this item will allow staff to continue to work with Versaterm, Inc. to execute an Agreement for an AFR/RMS.

POLICY ALTERNATIVES

Alternative #1: Reject all proposals and maintain status quo and do not replace or renovate the current RMS.

Pros: Cost avoidance of initial purchase.

Cons: Although initial costs will be avoided, long term costs will be greater due to increasing costs for maintenance of the existing system.

Reason for not recommending: Maintaining the current RMS poses significant risks regarding the integrity and preservation of information. Staff has determined that the current state of handwritten reporting, data entry, storage, retrieval required for compliance is unsustainable with current staffing levels.

Alternative #2: Approve only Phase 1 and report back to Council upon its successful completion for a recommendation on whether to proceed with subsequent phases.

Pros: Allows the project to move forward in a conservative manner while maintaining high visibility with focus on staffing requirements.

Cons: May cause delays in the full implementation of an "integrated" system and intended benefits.

Reason for not recommending: Staff requests approval of entire project as recommended to give the SJPD the flexibility to monitor and manage funding and resource requirements as may be required to fully implement this high priority project. Staff is also concerned that solely implementing an AFR, without upgrades to the current RMS, would not result in increased efficiencies or decrease the amount of paper reports. While an AFR (Phase 1) will increase the quality of reports, it is the RMS component (Phase 2) that allows SJPD to benefit from electronic case management and analyze data and make information available throughout the Department and to the public. The Interface Implementation (Phase 3) is a critical component of the project because it will allow consolidation of The Department's other databases and reduce for on-line crime reports. This phase also provides an interface that allows

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for the exchange of information to other law enforcement databases including the County's Criminal Justice Information Control which electronically submits information to the Superior Court.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. (Required: Website Posting)
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. (Required: E-mail and Website Posting)
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. (Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)

This item meets Criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater. This memorandum will be posted on the City's website for the March 1, 2011 City Council agenda.

COORDINATION

This memorandum has been coordinated with the City's Manager's Office and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This action is consistent with the following General Budget Principles "We must focus on protecting our vital core city services for both the short- and long-term" and "We must continue to streamline, innovate, and simplify our operations so that we can deliver services at a higher quality level, with better flexibility, at a lower cost" and the Strategic Initiative "Make San José a Tech-Savvy City; lead the way in using technology to improve daily life."

COST SUMMARY/IMPLICATIONS

As stated previously, the SJPD has aggressively pursued grant funding to minimize any impact to the General Fund and was allocated \$6,818,595 in grant funding, with an additional \$1,880,400 in pending grant applications for this project. Through the budget process, the SJPD will propose reallocations of non-personal funds from existing budgets for technology maintenance, other technology projects and

savings in the amount of \$1,441,627 to this project. If the proposed reallocations are not approved through the budget process, SJPD will utilize contingency reserve money where allowable by the grants. For areas not covered by grants, SJPD will develop an alternate funding plan.

Given current funding availability, SJPD is requesting that Council proceed with a contract to Versaterm, Inc. for Phase 1 for a total amount not-to-exceed \$3,368,576. This amount will be entirely funded through grants currently available. Section 3 of Table 7 contains a list of all grants being utilized to fund Phase 1.

SJPD has secured full grant funding for Phase 2, which will become available in FY 2011-2012. Section 4 of Table 7 shows the pending grant awards for Phase 2. The SLES 2010-2012 grant has been awarded and Council has approved the spending plan for the grant which includes \$800,000 for the AFR/RMS project. This grant is paid quarterly to the City and as funds come in, they will be appropriated to the project. The UASI 2010 grant will also be used for Phase 2. The City anticipates an MOU for this amount in February 2011.

When Phase 1 is successfully completed, the City will execute an option to issue a "Notice-to-Proceed" and funds will be appropriated for a total amount not-to-exceed \$715,803 for Phase 2.

Currently, Phase 3 is estimated at a not-to-exceed amount of \$996,355 and would require a contract amendment because the scope will need further refinement and identification of requirements upon completion of Phase 1 and 2. SJPD has applied for grant funding to cover this cost. The Department has also established a contingency reserve for each phase should the project require additional components. Should the reserve not be needed, it will be used to fund Phase 3 of the project. Table 4 outlines the costs for all three phases and Table 6 has a breakdown of 5 year maintenance costs. A breakdown of the specific costs within Phase 1 and 2 is provided in Table 7.

Table 4

Phase	Total Contract
Phase 1- AFR	\$3,368,576
Phase 2- RMS	\$715,803
Phase 3- Interface Implementation	\$996,355
TOTAL	\$5,080,734

The total cost for Phase 1, 2 and 3 of the project is \$10,984,252, as outlined in Table 5. This cost includes the procurement of Mobile Data Computers (MDCs), project management, a sustainment team, and six years of maintenance and support.

Table 5

DELIVERABLE	COST	FUNDING
Mobile Data Computers (MDCs)	\$2,642,528	\$2,642,528
Project Management	\$207,289	\$207,289
Versaterm (AFR/RMS and 5 Year Maintenance Cost)	\$7,341,567	\$4,809,215
Existing RMS Maintenance for FY 2013-2014 to FY 2017 -2018	\$300,000	\$1,180,000
Sustainment Team	\$492,868	\$492,868
TOTAL	\$10,984,252	\$9,331,900
Pending Grant Awards		\$1,880,400

Mobile Data Computers (MDCs)

The MDC portion of the project is 67% complete, with 280 marked vehicles outfitted with the new MDCs. This was a preliminary stage of the project to ensure vehicles had ruggedized laptops in patrol vehicles that could be updated with AFR and used in the field to create reports.

Project Management

Grant funding for Project Management was approved by Council on December 8, 2009.

Versaterm (AFR/RMS and 5 Year Maintenance Cost)

Versaterm's proposal includes a 1-year warranty for each phase followed by a five-year maintenance beginning with Phase 1 warranty expiration. The five-year maintenance for items in Phase 1, 2 and 3 will have staggered start dates based on the project plan and when the particular phase warranty expires. The five-year maintenance fees to Versaterm are broken out by fiscal year as shown below. Table 6 below identifies the annual costs for five-years of maintenance support after a 1 year warranty period:

Table 6

	<u>Annual Cost for Phases 1-3</u>	<u>Annual Cost for Phases 1 and 2</u>	<u>Annual Cost for Phases 3</u>
Maintenance Year 1 (2013-2014)	\$370,615	\$370,615	\$0
Maintenance Year 2 (2014-2015)	\$473,903	\$409,229	\$64,674
Maintenance Year 3 (2015-2016)	\$497,006	\$430,392	\$66,614
Maintenance Year 4 (2016-2017)	\$511,916	\$443,304	\$68,612
Maintenance Year 5 (2017-2018)	\$407,392	\$407,392	\$0
Grand Total	\$2,260,832	\$2,060,932	\$199,900

Over the first five years, a portion of the \$2.26 million maintenance cost will be covered with existing maintenance funds reallocated from the current RMS system in the amount of \$880,000 for FY 2013-2014 to FY 2017-2018. The remaining maintenance funds averaging approximately \$276,000 annually (\$1.38 million over the five-year period) will be factored into the General Fund Five-Year

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Forecast. This will impact the General Fund since ongoing maintenance costs typically are not permissible uses of grant funding.

Existing RMS Maintenance for FY 2013-2014 to FY 2017-2018

SJPD will need to maintain its current RMS for three years (FY 2013-2014 to FY 2015-2016) once the new system is fully implemented. Due to the quality of current data and the staff work required, SJPD has decided not to convert data from the current RMS into the new RMS. The system will only utilize new information. This will ensure that information is accurate and consistent. As such, the current system will need to be maintained to allow the Department to access old data and to comply with records retention policies. At the end of three years, SJPD will store old data so that it can be retrieved, but the system will not be maintained. Additionally, past system implementations have demonstrated the benefit of maintaining a redundant system for a period of time to ensure the new system is working effectively.

Sustainment Team

SJPD has prioritized AFR/RMS and therefore has decided to shift resources where possible towards this project. In addition to redeploying eight full time Police Department staff members (three sworn and five civilian) to the project, a proposed restructuring of the Systems Development Unit in FY 2011-2012 is expected to provide two additional staff members dedicated to technical support for the project beginning July 1, 2011. If the proposed restructuring does not move forward in the budget process, SJPD will develop an alternate funding plan.

The amount listed above represents savings from restructuring so that the positions can be added without an impact to the General Fund. The impacts associated with staff reallocations are described in Attachment I of this document. This has also resulted in other technology projects being delayed to support full implementation of AFR/RMS.

Pending Grant Awards

SJPD has pending grant awards in the amount of \$1,880,400 and is outlined in Section 4 of Table 7. Phase 2 will require \$635,763 of that amount. The SLES 2010-2012 grant has been awarded and Council has approved the spending plan for the grant which includes \$800,000 for the AFR/RMS project. This grant is paid quarterly to the City and as funds come in, they will be appropriated to the project. The UASI 2010 grant will also be used for Phase 2. The City anticipates an MOU for this amount in February 2011.

The City will use remaining grant funds (\$1,244,637) for hardware and third party software not covered in the Versaterm agreement. The funding will also be utilized as a contingency reserve for each Phase. If it is not used as contingency, it will be used to fund Phase 3. Some of these grants will not be available until FY 2012-2013.

Table 7

	<u>TOTAL</u>		
1. AMOUNT OF RECOMMENDATION			\$3,368,576
- Phase 2 "Notice-to-Proceed" Amount			\$715,803
2. COST ELEMENTS:	<u>Phase 1</u>	<u>Phase 2</u>	<u>Total</u>
- Project Design	\$0	\$0	\$0
- Software	\$1,712,900	\$204,083	\$1,916,983
- Hardware	\$158,616	\$0	\$158,616
- Professional Services	\$1,367,500	\$399,600	\$1,767,100
- Professional Services (Interfaces)	\$306,853	\$112,120	\$418,973
- Discount	-\$177,293	\$0	-\$177,293
PROJECT TOTAL	\$3,368,576	\$715,803	\$4,084,379
3. SOURCE OF FUNDING:			
- SLES 2008-2010	\$167,580	\$0	\$167,580
- UASI 2009	\$700,000	\$0	\$700,000
- SLES 2009-2011	\$706,059	\$0	\$706,059
- ARRA JAG	\$1,385,213	\$0	\$1,385,213
- SLES 2010-2012	\$148,024	\$80,040	\$228,064
- JAG 2010	\$261,700	\$0	\$261,700
FUNDING SOURCE TOTAL	\$3,368,576	\$80,040	\$3,448,616
4. PENDING GRANT AWARDS:			
- SLES 2010-2012	\$0	\$571,936	\$571,936
- UASI 2010	\$0	\$63,827	\$63,827
PENDING GRANT AWARDS TOTAL		\$635,763	\$635,763
5. FISCAL IMPACT:	The additional ongoing maintenance costs are projected at \$276,000 annually and would be factored into the General Fund Five-Year Forecast.		

SJPD is also requesting that the City Council increase the appropriation for the 2010-2012 SLES Grant. On February 1, 2011 (Item 2.6) the City Council approved the spending plan for this grant. Since this item was at Council, the second quarter payment was received in the amount of \$101,332, bringing the total amount received for this grant to \$228,063. By appropriating the funds, SJPD will be able to utilize them for the Versaterm contract for AFR/RMS, as stipulated in the 2010-2012 SLES Grant spending plan.

BUDGET REFERENCE

The table below identifies the fund and appropriations proposed to fund the contract recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Contract	2010-2011 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
414	3701	SLES Grant 2008-2010	\$0 ¹	\$167,580	XI-84	N/A
001	3852	2009 UASI Grant-Police	\$962,500	\$700,000	N/A	10/19/2010 28829
414	3762	SLES Grant 2009-2011	\$995,133	\$706,059	XI-84	10/19/2010 28829
474	3813	Recovery Act JAG	\$1,385,213	\$1,385,213	XI-29	10/19/2010 28829
414	3877 ²	SLES Grant 2010-2012	\$126,732	\$148,024	N/A	2/1/2011 28884
474	3855	2010 Justice Assistance Grant	\$319,840	\$261,700	N/A	8/10/2010 28785
Total			\$3,766,957	\$3,368,576		

CEQA

Not a Project, File No. PP10-066 (a) Agreements and Contracts.

/s/
CHRISTOPHER M. MOORE
Chief of Police


JENNIFER A. MAGUIRE
Budget Director

/s/
STEPHEN R. FERGUSON
Chief Information Officer

/s/
SCOTT P. JOHNSON
Director, Finance

¹ This appropriation is already encumbered for Project Management of the AFR/RMS project, but will be shifted to the Versaterm contract once finalized.

² City Council approved of the spending plan for this grant and the appropriation of \$126,732 of the grant funds on February 1, 2011 (Item 2.6). An additional appropriation of \$101,332 is recommended in this document.

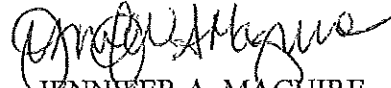
HONORABLE MAYOR AND CITY COUNCIL

February 7, 2011

Subject: Report on RFP for AFR/RMS

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I hereby certify that there will be available for appropriation in the Supplemental Law Enforcement Services Fund in the Fiscal Year 2010-2011 monies in excess of those heretofore appropriated therefrom, said excess being at least \$101,332.



JENNIFER A. MAGUIRE

Budget Director

For questions please contact:

Tamara Becker, Police Operations Support Services Division Manager (408) 277-4198, or
Mark Giovannetti, Purchasing Division Manager, (408) 535-7052.

CMM: TB/MMJ

Attachments: Attachment I – Police Department AFR/RMS Sustainment Team

Attachment I
Police Department AFR/RMS Sustainment Team

The implementation of a new AFR/RMS will impact every Unit within the Police Department and require change management at all levels. For this project to be successful, the Department has assembled a ten member Sustainment Team to facilitate the project. The project will be managed internally by PD staff. Project Management will continue to utilize the Implementation Team (as described on page 6) to monitor project progress within the allotted budget and timeline. Management will promote accountability of the Sustainment Team and the Vendor's project team to ensure the scope is maintained and problems are identified early, so as to keep costs within the allocated contingency amounts.

The Sustainment Team is a full-time assignment for the duration of the project. With the exception of Technical Support, they will be redeployments and will impact each of the Units listed below. This Team will be responsible for evaluating current business practices and identifying changes proposed in the new system. They have assisted the Finance Department with contract negotiations and the Project Design Phase. Once the project begins, they will be tasked with the development of database structures, testing the system and will serve as trainers for implementation of the AFR/RMS system. Upon project completion, they will be tasked with on-going program sustainment. The Sustainment Team is comprised of representatives from all Bureaus within the Police Department:

- Bureau of Investigations- 2 members
 - Court Liaison Unit: 1 civilian
 - Homicide: 1 Officer
- Bureau of Administration- 2 members
 - Crime Analysis Unit: 1 civilian
 - Property & Evidence: 1 Civilian
- Bureau of Technical Services- 2 members
 - Operations & Systems Support Division: 1 civilian
 - Systems Development Unit: 1 civilian
- Bureau of Field Operations- 2 members
 - Patrol: 1 Sergeant
 - Patrol: 1 Officer
- Technical Support- 2 members
 - 2 civilians³

SJPD recognizes that staffing redeployments will impact existing service delivery at a time when resources are decreasing due to current budget realities. To minimize the impacts, SJPD has been reprioritizing and delaying other technology projects to ensure a successful AFR/RMS implementation. This project is a priority given its direct impacts to the Department's overall efficiencies by enhancing the ability to analyze crime and redeploy resources.

Service delivery will be impacted during the project since we are removing staff from critical assignments. The individuals selected for the Sustainment Team come from each Bureau and key units throughout the Department. AFR/RMS is intended to provide an opportunity to evaluate current business processes, eliminate redundancies and increase efficiencies to enhance long-term service delivery.

³ Through the budget process, SJPD will propose a restructure of its Systems Development Unit. The restructuring will provide additional staff dedicated to technical support for this project beginning July 1, 2011. If the proposed restructuring does not move forward in the budget process, SJPD will develop an alternate funding plan.

