



## **MEMORANDUM**

**TO:** HONORABLE MAYOR & CITY COUNCIL MEMBERS  
**FROM:** DAN LANDON, IT MANAGER   
**DATE:** AUGUST 19, 2014  
**SUBJECT:** 2014 FIVE-YEAR INFORMATION TECHNOLOGY PLAN  
**REVIEWED:** CAROLYNN PETRU, ACTING CITY MANAGER 

### **RECOMMENDATION**

Receive and file.

### **INTRODUCTION**

The 2014 5-Year IT Plan (2014 IT Plan) is a management tool used to organize and prioritize IT projects in a way that best accomplishes goals and priorities of the City. A clear plan allows for the phased implementation of components, building one on top of the other in order to realize the most gains as quickly as possible, while insuring installed technologies are flexible enough to integrate with future technologies.

The 2014 IT Plan was developed conjunction with the FY14-15 Equipment Replacement Fund-IT budget and the citywide 2014 Five-Year Financial Model that includes the Equipment Replacement Fund-Computers and about 35 other operating funds of the City. The 2014 IT Plan will form the basis for IT purchases consistent with the vision of the forthcoming 2015 IT Strategic Plan (Strategic Plan).

The 2014 IT Plan is a financial modeling tool based upon current goals and existing technologies, but both goals and technologies change frequently. It is prudent to update plans regularly as new opportunities become available. The forthcoming 2015 IT Strategic Plan will be prepared in conjunction with the FY15-16 draft budget and the draft 2015 IT Plan that will then be incorporated into the draft 2015 Five-Year Financial Model for the City as a part of the City Council's annual budget process. As individual components of the IT Plan are designed and scheduled for implementation, equipment and software licensing purchases will be also approved by City Council as required by the Municipal Code.

**DISCUSSION**

**1. Budgeting and Funding – the Equipment Replacement Fund - Computers**

The City plans and funds the support, maintenance and replacement of technology using the Equipment Replacement Fund (ERF). The ERF receives a transfer from the General Fund equal to the total annual depreciation of technology equipment and software, as well as estimated annual licensing and support costs. The annual transfer from the General Fund to the ERF is allocated (“charged to”) each operating department (e.g. Recreation, Finance) based upon industry standard allocation factors (e.g. handsets used, desktop computers used, number of department employees). This funding mechanism smooths the impact on the General Fund that would otherwise result from large IT purchases (e.g. the replacement of the virtual network server may cost \$200,000). Another benefit of this model is that ongoing support costs are known and planned for in advance and included in the budgeting process.

All technology related systems, from computers and servers to business systems, networking components, audio/visual, web technologies, voice and GIS mapping are considered and included in the annual budget and the citywide Five-Year Financial Model presented to the City Council for review, consideration and annual adoption.

**2. IT Plan**

The IT Plan consists of budgeted and modeled spending estimates for the upcoming 5 years. The IT Plan insures IT expenditures remain within confines of the Equipment Replacement Fund (ERF), the annual budget and the citywide Five Year Financial Model. The 2014 5 Year IT Plan also includes the on-going technology projects and tasks that were included in the FY13-14 budget and are expected to be carried forward to FY14-15 as a part of the Continuing Appropriations staff report to be presented to the City Council on September 2, 2014, the vast majority being the Enterprise Resource Planning (ERP) systems for Finance, Community Development and Public Works. The plan that identifies estimated annualized costs (the “IT Spending Plan”) is attached as Exhibit A for review, and the projected carry forward summary is outlined below.

**Summary of Equipment Replacement Fund-Computers - FY13-14 Carryforward to FY14-15 (subject to Council approval on September 2, 2014)**

681-2082-499.43 - Maintenance (licensing, support & maintenance) including implementation of Recreation and Parks online registration system and PVIC point of sale system not paid in FY13-14)	\$ 83,000
681-2082-499.61 - Operating Supplies/Minor Equipment, including desktop printers & scanners, UPS devices, monitors and utility copier/scanners	\$ 177,050
681-2082-499.75 - Capital Equipment, Tyler financial and permitting system, Cityworks for Public Works work order and infrastructure management and LARIAC GIS licensing.	\$ 671,400
<b>TOTAL</b>	<b>\$ 931,450</b>

**3. IT Strategic Plan**

Each year, the City Council creates a guiding document for the City in the form of annual goals. The 2014 City Council Goals will be used to form the high level 2015 IT Strategic Plans which are then used to create the more detailed 2015 IT Plans as described herein.

The forthcoming 2015 IT Strategic Plan will also incorporate the changes in City Council goals in early 2015 which will be the primary guiding document for City technology into the future.

One of the primary managerial/financial goals of the 2014 IT Plan (and annual revisions to it) is to ensure that planned technology expenditures remain within budgeted norms of 3% and 5% of General Fund expenditures as well as used as a tool to prepare annual budgets and forecasts.

#### **4. Planned Major IT Objectives By Year**

##### **• Recently Completed**

- Virtual cluster and conversion of over 30 servers from physical to virtual
- Microsoft Enterprise licensing agreement
- Dell City computers, conforming to standard system configurations
- Help Desk Ticketing solution
- PVNET Contract including the implementation of Service Level Agreements
- Windows 7 upgrades
- Exchange 2013 and Lync 2013 implementations
- Denali Cougar Mountain upgrade for PVIC Point of Sale (POS) system
- Activenet facility reservations portal
- IP Address reconfiguration almost complete

##### **• FY2014-15**

- Finance system implementation
- Website and list serve implementation to include self service capabilities
- City Council streaming and agenda automation system
- GIS, LARIAC4 and viewer upgrades and licensing
- Managed switch upgrades w/10gig backbone speed
- Fiber optic connectivity to RPVtv cable studio to the City network
- City Council meeting room equipment upgrades resulting from Hesse Park fiber project
- System Center computer management system configuration
- Converged Infrastructure upgrade resulting from system upgrades
- 5 year Strategic Plan

##### **• FY 2015-16**

- Land Management System implementation
- Work Order and Asset Management system
- Website Open Government initiative
- Business System integrations between finance and other systems
- Wireless Access Points at City locations
- Mobile devices management system
- Camera – website views and parking lot monitoring
- 311 System including mobile devices
- Citizen Relations Management System (integrated with 311)

- **FY 2016-17**
  - Computer upgrades (50%)
  - Emergency and Disaster Operations Software
  - Integrated Devices – hard wired, wireless, mobile
  - RPVTV server and network upgrades
  - Park and offsite location connectivity
  - Reverse 911 System
  - Public Works System Integrations
- **FY 2017-18**
  - Computer Upgrades (50%)
  - Website refresh, new functionality and usability
  - Unified Communications, messaging system upgrades
  - Mobile systems refresh, field systems
  - Infrastructure and security systems upgrades
  - GIS upgrade, LARIAC5 imagery
- **FY 2018-19**
  - Storage Area Network Infrastructure upgrade, storage expansion
  - Disaster Recovery system upgrade
  - Council agenda management system upgrade and refresh
  - Finance system refresh
  - Emergency Operations system refresh
  - Camera systems refresh

### **FISCAL IMPACT**

No fiscal impact. The 2014 IT Plan does not require any FY14-15 budget adjustments, nor revisions to the citywide Five-Year Financial Model.

Attachment:  
Exhibit A – 2014 IT Spending Plan Summary

## 5 Year IT Spending Plan Summary

### Equipment Replacement Fund - Computers Expenditures

	FY14-15	MODEL FY15-16	MODEL FY16-17	MODEL FY17-18	MODEL FY18-19
<b>Summary of IT (operating) Program and IT Equipment Estimated Expenditures</b>					
Maintenance Services	\$317,885	\$347,070	\$330,621	\$342,338	\$349,533
Operating Supplies/Minor Equipment	\$117,500	\$131,130	\$169,279	\$170,463	\$91,168
Capital Computer Equipment (Cost > \$5,000)	\$415,000	\$390,000	\$387,000	\$395,000	\$489,000
<b>Total Planned Expenditures</b>	<b>\$850,385</b>	<b>\$868,200</b>	<b>\$886,900</b>	<b>\$907,800</b>	<b>\$929,700</b>
% of Total General Fund Expenditures (estimated)	4.15%	4.15%	4.15%	4.15%	4.15%
<b>681-2082-499.43 - MAINTENANCE SERVICES (Ongoing software licenses, maintenance and system support)</b>					
<b>Total Annual Maintenance</b>	<b>\$ 317,885</b>	<b>\$ 347,070</b>	<b>\$ 330,621</b>	<b>\$ 342,338</b>	<b>\$ 349,533</b>
<b>681-2082-499.61 - OPERATING, MINOR EQUIPMENT (Computers, copiers, printers, networking equipment)</b>					
<b>Total Operating Supplies/Minor Equipment</b>	<b>\$ 117,500</b>	<b>\$ 131,130</b>	<b>\$ 169,279</b>	<b>\$ 170,463</b>	<b>\$ 91,168</b>
<b>681-2082-499.79 - COMPUTER EQUIPMENT (Capital Equipment and Systems)</b>					
ERP System Implementations	\$45,000	\$100,000	\$50,000	\$20,000	\$80,000
System Software Upgrades	\$30,000	\$55,000	\$62,000	\$30,000	\$34,000
Network and Security Infrastructure	\$205,000	\$100,000	\$105,000	\$160,000	\$195,000
Voice and Communications Infrastructure	\$20,000	\$0	\$30,000	\$20,000	\$30,000
Copiers, printers, A/V and other equipment	\$0	\$30,000	\$40,000	\$65,000	\$15,000
GIS, Mapping and Land Data Systems	\$0	\$0	\$20,000	\$20,000	\$80,000
Internet and Web Based systems	\$60,000	\$70,000	\$55,000	\$35,000	\$20,000
RPV/tv Infrastructure	\$35,000	\$15,000	\$5,000	\$25,000	\$15,000
Reserve for contingencies	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>Total Capital Equipment Plan</b>	<b>\$415,000</b>	<b>\$390,000</b>	<b>\$387,000</b>	<b>\$395,000</b>	<b>\$489,000</b>