



Good Neighbors

San Diego
Housing Commission

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REPORT

DATE: For the Agenda of February 9, 2001

ITEM 100

REPORT NO.: HCR01-023

SUBJECT: Award of Contract for Housing Services Software and Services (Citywide)

SUMMARY

Issue: Should the Housing Commission acquire new computer software and related consultant services to increase staff efficiency and improve service delivery to housing program participants?

Recommendation: That the Housing Commission recommend the Housing Authority authorize the Chief Executive Officer to negotiate a contract with approval of General Counsel as to form, for Housing Services software and related services for a period of twenty-four months, in an amount not to exceed \$315,000 with a ten percent contingency (to address potential change orders for items not anticipated and identified in the original scope of work) with Emphasys Computer Solutions, Inc.

Certificate of Funding Availability:

Certificate No.:	01-130
Amount:	\$346,500 (including 10% contingency)
Revenue Source:	Capital Fund 501, Revolving Fund 099
Division:	Operations
Line Item:	Equipment and Contract/Consultant

Equal Opportunity: Emphasys, Inc. is in compliance with the San Diego Housing Commission's Equal Opportunity requirements. Emphasys, Inc. is not a certified Minority, Woman or Disabled Veteran Business Enterprise.

Future Actions: If approved, this item will be presented for consideration at the next available Housing Authority meeting.



BACKGROUND

The Housing Commission currently has a software system servicing Section 8 and Public Housing programs that was developed in-house over twelve years ago. The existing system has limited flexibility and does not integrate well with current technologies such as electronic spreadsheets, word processing and database software and does not meet the Commission's functional needs. In addition, HUD mandated changes are appearing more frequently and have been increasingly more comprehensive in scope; consequently, it is more difficult to keep software current with new regulations.

DISCUSSION

Staff proposes to acquire a packaged software system that will allow direct access to housing related information; reduce the time it takes to certify and recertify a client, reconcile payments and inspect a unit; eliminate the need to re-key data into spreadsheets; and allow information, with full security, to travel electronically anywhere in the organization. With the new system, staff will be able to easily create and modify a range of sophisticated, customized reports that is not possible with the current system. Ultimately, this system should provide management with the ability to make better-informed decisions and provide services in a more effective manner.

To begin the selection process, staff issued a Request for Proposals (RFP) in July 2000. Notices were e-mailed to 27 firms. Additionally, advertisements were placed in the *Daily Transcript*, *Voice and Viewpoint* and *La Prensa*.

Four firms submitted proposals that were reviewed and evaluated by a committee, composed of staff from Asset Management, Rental Assistance and Information Systems. The proposals were reviewed for the firms' qualifications and experience, scope of services, and price.

Based on the requirements identified in the RFP, one firm was determined non-responsive and another firm did not meet the threshold to be considered a finalist. Two firms, Emphasys Computer Solutions, Inc. (ECS) and Modern Software Technology, Inc. (MST) were invited to Housing Commission offices to demonstrate their software.

Following the committee's review of the firms, the proposer ranked highest was ECS as indicated in Attachment 1. ECS attained the highest score in the evaluation, based, in part, on an analysis of how many of the specifications would be met upon installation; how long the software has been operational at similar housing authorities; and the size and makeup of their user population.

ECS was formed as a result of a merger in June 2000 between two of the largest Public Housing Authority software vendors: Creative Computer Solutions, Inc., founded in 1976, and Memory Lane Systems, Inc.,

founded in 1983. ECS software is used by over 145 Housing Authorities nationwide including many of the largest Public Housing agencies.

ECS began releasing a new Windows-based version of their software beginning with Section 8 in January. This version will have all the functionality of their existing software and will include an easier user-interface, and better integration to other software used at the Commission.

If approved, the new software will be phased in over a twelve-month period beginning in May. ECS included a detailed training and implementation plan with their proposal and have indicated that there will be no additional charges for the new version. Costs for consulting, project management and training services are shown in Attachment 2.

Staff recommends the award of contract to ECS for the following reasons:

1. The proposed ECS software meets all of the functional requirements of the Housing Commission.
2. The technical direction of ECS is consistent with the Commission's Information Technology plan. The top priority of the plan has been to standardize hardware and software with the objective of reducing administrative costs associated with multiple hardware platforms, operating systems and databases. The ECS software will allow use of our existing hardware platform and relational database.
3. The hardware and database management system required by ECS are already used at the Commission for financial software and office automation. The hardware required by ECS is available from many manufacturers and is widely used by City of San Diego departments and agencies. (The hardware required for the MST system is only manufactured by IBM and is not used by any City department or agency. The database software required for the MST software is not currently used at the Housing Commission.)
4. ECS has, by far, the largest number of PHA customers including those of similar size and programs as the Housing Commission.
5. ECS has, by far, the largest organized user group. This group is very active and comprised of larger agencies similar to the Housing Commission.
6. ECS has a large number of employees allowing it to support existing customers and develop new products in response to market changes and HUD requirements.
7. ECS has already developed an interface between their software and the PeopleSoft financial software that is used by the Housing Commission.
8. The implementation plan presented in their Response to the RFP was detailed, and well thought out.

Extensive discussions were held with current customers of ECS that are similar in size and programs to the Commission. These discussions supported the committee's conclusion that ECS has the product and resources to perform a very successful implementation at the Housing Commission.

The second ranked respondent, MST, Inc. protested the award of the contract to ECS (Attachment 3). Notwithstanding the protest, staff continues to believe the Commission should contract with ECS, the top ranked respondent, for the reasons stated herein.

Acceptance of the staff recommendation will facilitate consideration of this item by the Housing Authority and, if approved, purchase and implementation of the new improved housing services software system will increase efficiency and enhance service delivery to customers.

ALTERNATIVES

Continue to use the existing housing services software.

Respectfully submitted,

Steven Mikelman
Director of Operations

**Signature on File
With Original Document**

Approved by,

Elizabeth C. Morris
Chief Executive Officer

- Attachments 1) Proposal Evaluation Sheet
2) Cost Comparison and List of Applications
3) Letter from MST, Inc. and Response
4) Disclosure Statement

PERLMAN

ATTACHMENT 1

Proposal Evaluation Sheet

All organizations responsive to the submittal will be evaluated on the criteria listed below. Each item will be weighted as indicated.

	ECS	MST	ISSI
<u>Weighted Rating</u>			
• Degree to which the package fits functional requirements (on a modular basis) listed in the RFP without requiring modification. (0-35 points)	27	25	17
• Vendor qualifications, stability and technical direction (i.e. research & development, future releases). (0-10 points)	10	7	4
• Total cost of ownership / Terms of Sale. (0-20 points)	11	13	7
• Implementation timing and ease, system adaptability to change and expand, application training, conversion assistance, etc. (0-10 points)	8	8	5
• Support services including maintenance, new releases, hot lines & responsiveness. (0-10 points)	9	5	3
• Customer references from PHAs of similar size and with similar programs. (0-15 points)	<u>12</u>	<u>10</u>	<u>6</u>
TOTAL	77	68	42

Attachment 2
Cost Comparison & List of Applications

	ISSI	ECS	MST
Software license	202,600	132,050	85,000
Hardware			71,590
Handhelds		9,800	
Custom/Modifications	49,000	10,000	15,000
Consulting Services		48,400	
Project management		22,440	
Training	20,000	30,990	35,200
Data conversion	12,500	23,500	35,000
Installation	1,300	6,500	
Travel	12,000	32,025	
Installation support	8,000	-	
Maintenance year 1	-	-	<u>18,000</u>
Totals	305,400	315,705	259,790

List of Applications

Waiting List
 Section 8 Certificates & Vouchers
 Low Income Public Housing Tenant Accounts Receivable
 Maintenance Work Order Processing
 Materials Inventory
 Site Assessment (REAC Inspections)
 Eviction/Legal System
 Fixed Assets
 Family Self-Sufficiency
 Utility Tracking
 HQS Inspections/HQS Handheld
 Rent Reasonableness
 Accounts Receivable (Portability)
 Accounting System for Interface to PeopleSoft
 Grant Management
 Contract Management
 Merge Letter Generator