



## CITY COUNCIL ACTION REPORT

July 31, 2012

TO: Michael W. Culpepper, Acting City Manager

FROM: Thomas Darling, Director of Financial Services  
Susan A. Leirstein, Purchasing Director  
Gertrude Paraskevin, IT Director

SUBJECT: Sole Source - Upgrade LibertyNET to OnBase Document Management

### **Background**

The City has utilized LibertyNET software since 2005 to manage electronic documents in various departments including Assessing, Building Inspection, City Clerk, Engineering, Finance, Fire, Planning, Police, Purchasing, and Water. Having the ability to scan and store documents in an electronic format has greatly streamlined a number of processes and has made accessing documents a much easier task. It has also allowed us to offer access to documents on our website, such as agendas and minutes for City Council and other board and committee meetings, as well as to easily provide contracts and collective bargaining agreements on Open Troy.

Originally when LibertyNET was implemented the software was provided to the City at no cost. The City was only required to pay for implementation fees plus ongoing software maintenance. This came as a result of an offer from the vendor, Liberty Information Management Systems (Liberty IMS) of Costa Mesa, California, who was looking for a well respected reference as they expanded their business into the eastern part of the country. Liberty IMS was subsequently purchased by Hyland Software headquartered in Westlake, Ohio in July of 2008. At that time Hyland announced the LibertyNET product would only be supported for 3-5 years since they offer a similar product, OnBase, which included all the features of LibertyNET plus more.

Some of the additional features the City could take advantage of include:

- Foldering which allows one document to appear in multiple folders.
- Enhanced Workflow which allows complex workflows to be created in a graphical user interface. This is one area we have been struggling with in LibertyNET. The current workflow product is not very intuitive and we haven't been able to make it work satisfactorily for our environment.
- The ability to create E-Forms to collect data and store in a database that would give us the ability to replace paper forms.
- Multi-Instance Keywords would allow a document index to have multiple values. This would improve indexing and searching capabilities.
- Public Web Access for Constituents module allowing additional means to offer documents to the public without additional custom programming.

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- Integration with several products used by the City. These would require the purchase of additional software in the future should we decide to utilize that integration:
  - ESRI ARC GIS mapping software.
  - CityWorks Asset Management and Customer Service system.
  - Microsoft Outlook

In addition, it is in the City's best interest to move to the OnBase product since LibertyNET is being phased out, there will be no product enhancements or major program fixes, and support will soon end.

OnBase has been in business since 1991 with over 10,600 installed customers. They currently have 66 customers in Michigan including:

Cities: Ann Arbor, Dearborn, Lansing, Grand Rapids, Northville, Novi, Romulus, Wixom and Wyoming

Counties: Clinton, Grand Traverse, Jackson, Kalamazoo, Macomb, Monroe, St. Clair, and Washtenaw

Since the City has continued to pay for maintenance on LibertyNET there will be a nominal software cost of \$900 to upgrade to OnBase. Hyland is offering a like for like match of the software at no charge (list price value: \$259,645). The \$900 is for a Public Sector Constituency Web Portal which the City did not previously have. The only other fees to be incurred are for implementation and training. Similar to the initial implementation of LibertyNET, City staff will receive training and work with the Hyland implementation team to establish a new OnBase environment and convert three (3) departments. This will allow IT staff to gain knowledge and experience with the product so they can continue to implement the remaining departments with minimal support from Hyland. This method keeps cost to a minimum while providing hands on training and experience. It is also an excellent basis from which to provide ongoing support and continue to expand use.

Pricing for this upgrade can be found in Attachment A. Note there is no cost for additional hardware since we will be utilizing an existing SQL Server to house the database and any additional servers required will be created within our existing VMWare virtual server infrastructure.

### **Recommendation**

City management is requesting authorization to migrate from Liberty IMS LibertyNet document management software to Hyland's OnBase product for an estimated total cost of \$85,900 with a yearly software maintenance fee of 18% of list in the first year, \$48,051; 19% of list in the second year, \$50,720; and then 20% of list, currently at \$53,389, for each subsequent year as outlined in Attachment A.

The recommendation will be contingent upon Hyland Software submitting proper contract documents and insurance certificates.

### **Fund Availability**

Funds are budgeted and available in the Information Technology Fund.

# ATTACHMENT A

## Costs

Software Module	One-time Cost		Recurring Annual Maintenance Cost*		
	List Price	Cost	1 <sup>st</sup> Year (18%)	2 <sup>nd</sup> Year (19%)	3 <sup>rd</sup> Year and forward (20%)
OnBase (swap like for like)	\$ 266,045	\$ 0	\$ 47,889	\$ 50,549	\$ 53,209
OnBase Public Sector Constituency Web Access	900	900	162	171	180
<b>Implementation</b>					
Time and Materials		60,000			
Travel expenses (estimated)		5,000			
<b>Training</b>					
System Administration Classes in Ohio		17,000			
Travel expenses (estimated)		3,000			
<b>Total</b>		\$ 85,900	\$ 48,051	\$ 50,720	\$ 53,389

- Hyland has offered to reduce their normal 20% maintenance fee to 18% the first year, 19% the second year, and 20% for each year thereafter.