



CITY COUNCIL STAFF REPORT



June 17, 2025

ITEM TITLE

Approval of a Five-Year agreement with Accela, Inc. for Cloud-Based Permitting Software Services and Related Implementation Work

Report Number: 25-0166

Location: No specific geographic location

Department: Development Services

G.C. § 84308 Regulations Apply: Yes

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines. Therefore, pursuant to State Guidelines Section 15060(c)(3), no environmental review is required.

Recommended Action

Adopt a resolution waiving the competitive process and approving a five-year consultant services agreement with Accela, Inc. for cloud-based permitting software licensing, hosting, maintenance, and implementation services in an amount not to exceed \$3,335,387, and authorizing the City Manager to execute the contract and any related documents in forms approved by the City Attorney.

SUMMARY

Staff recommends approval of a five-year agreement with Accela, Inc. to transition the City’s existing on-premises permitting system to a cloud-based Software as a Service (SaaS) model. This transition is necessary to maintain core permitting, licensing, and code enforcement operations and to avoid disruption of services following Accela's June 30, 2025, deadline to end support and disable APIs associated with the City’s existing platform. The scope includes software licensing, hosting, data migration, system integration, report conversion, and post-go-live support.

The City previously contracted with Accela in 2013 (Resolution 2013-049) to provide its Automation Platform software solution to support digital permitting and land management services. That 2013 contract enabled the successful digitization of permitting, inspection, and public portal functions over the past decade.

The current agreement builds on that foundation by moving from an on-premises system to a cloud-hosted

subscription service model. The agreement includes a total cost of \$3,335,387 over five years, inclusive of licensing, implementation, maintenance, and Enhanced Reporting Database (ERD) services.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because the proposed activity does not result in a physical change in the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA.

DISCUSSION

Project Background

In 1991 the City purchased Permits Plus® automation software for processing development permits. In 2013, the City transitioned from Permits Plus® to Accela Automation an updated and expanded version of the earlier software. Since this time the Accela platform has supported the permitting process across all departments with a role in the development cycle. In 2023, Accela notified the City its on-premises solution would be discontinued by June 30, 2025. After that date, core support and critical software interfaces—such as APIs for payment processing, GIS, and plan review—would no longer be supported.

The City's prior investment in the Accela platform included modules for Building, Planning, Public Works, and Code Enforcement, along with a public access portal. Since implementation, system usage has steadily expanded, including integrations with Tyler Cashiering, GIS, the recent integration and launch of ePlanSoft for electronic plan submittal and review, and future integration with LaserFische. Approval of this contract is the next step in the anticipated modernization process of the City's development permit processing systems.

To maintain operational continuity and secure access to permitting data and integrations, the City must execute a new agreement by June 30, 2025.

Proposed Contract Scope

The proposed contract includes both a scope of work for the migration from the legacy on-premises system and the ongoing SaaS agreement.

SaaS contract key components:

- Annual SaaS subscription for 145 users across multiple departments
- Hosting, maintenance, and standard support services
- Inclusion of additional modules at no added license cost to maintain current functionality (if needed after migration)
- Enhanced Reporting Database (ERD) for external reporting and integration, optional years 2-5

Migration Scope of Work key components:

- Re-establishment of interfaces with GIS, PayPal, Velosimo, ePlanSoft, and others
- Migration of up to 200 reports
- 140 hours of testing, go-live support

- 3 weeks of post-launch priority assistance

Contingent on contract approval by June 30, 2025, Accela has committed to providing the following value-added service to assist the City in streamlining its workflows and implementing these improvements:

- Evaluation of City's system post migration by a Government Solutions Architect with workflow and configuration recommendations
- 200 hours of professional services (must be used by December 31, 2026)

Annual Subscription and ERD Costs

<u>Fiscal Year</u>	<u>Total Annual Cost</u>	<u>ERD Cost</u>	<u>User License Cost</u>
Year 1	\$600,293.97	\$69,060.37	\$3,663.68
Year 2	\$624,306.19	\$71,822.84	\$3,810.23
Year 3	\$649,278.56	\$74,695.76	\$3,962.64
Year 4	\$675,248.79	\$77,683.49	\$4,121.14
Year 5	\$702,259.46	\$80,790.91	\$4,285.99

Consultant Selection Process

The proposed agreement with Accela, Inc. represents a continuation of services provided since 2013 and reflects a transition from the City's existing on-premises software to a modern, cloud-based platform. As the current system is proprietary to Accela and no third-party vendors can legally maintain or extend the City's current environment, the migration is necessarily sole sourced to the original developer.

Accela's software is tightly integrated with several mission-critical systems used by the City, including the recently implemented ePlanSoft electronic plan check software, GIS systems, Tyler Cashiering, and LaserFiche. These interdependencies make transitioning to an alternate platform highly complex and potentially disruptive. The proposed migration will preserve these integrations, minimize service interruptions, and allow the City to retain continuity in permitting, inspection, and licensing operations.

Waiving the Formal Bidding Process

In accordance with Chula Vista Municipal Code section 2.56.070 (b)(3), The City Council may waive the competitive bidding requirements if determined by resolution of the City Council that the competitive bidding requirements as applied to that contract are impractical, impossible or that City interests would be materially better served by applying a different purchasing procedure approved by the Purchasing Agent as being consistent with good purchasing practices.

The transition from an on-premises system to a cloud-hosted subscription service model involves transitioning from the City's existing configuration to Accela's own SaaS version, soliciting bids from other vendors would not be feasible or advantageous. The migration does not constitute procurement of a new permitting platform, but rather a technical upgrade and hosting transition of the system already in place. Soliciting bids from other vendors is impractical and not in the City's best interest.

Furthermore, the City has made substantial recent investments in complementary systems designed to work seamlessly with Accela, including ePlanSoft, Velosimo, and other digital development tools that provide a robust and integrated service experience for the public and development community.

For these reasons, staff recommends that the City Council waive formal bidding requirements and authorize execution of the agreement with Accela, Inc.

Conclusion

Staff recommends Council approval to ensure continuity of permitting and licensing services and to avoid data and service disruption. The contract offers fixed pricing, structured migration support, and flexibility to expand use of additional Accela modules without additional license fees.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Notwithstanding the foregoing, it has also been determined that the activity qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

N/A

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov’t Code § 87100, et seq.). Staff is not independently aware and has not been informed of any City Council conflict.

CURRENT-YEAR FISCAL IMPACT

There is no current-year fiscal impact as a result of this action, all current year costs associated with this agreement are included in the fiscal year 2024-25 budget.

ONGOING FISCAL IMPACT

The total contract amount is \$3,335,387 over five years and is shared by the General Fund and Development Services Fund. Annual costs related to the licensing, hosting, maintenance, and implementation services are outlined by fund in the table below. A portion of these funds have been included in the fiscal year 2025-26 budget. Funding for the increased costs will be identified and included in the Quarterly Financial Reports, as needed. Ongoing expenses will be considered as part of the annual budget development process in future years.

	Total Costs	General Fund	Development Services Fund
Year 1 (FY 2026)	\$ 600,294	\$ 282,138	\$ 318,156
Year 2 (FY 2027)	\$ 624,306	\$ 293,424	\$ 330,882
Year 3 (FY 2028)	\$ 649,279	\$ 305,161	\$ 344,118

Year 4 (FY 2029)	\$ 675,249	\$ 317,367	\$ 357,882
Year 5 (FY 2030)	\$ 702,260	\$ 330,062	\$ 372,198

ATTACHMENTS

1. City Two-Party Agreement for Consultant Professional Services
2. Exhibit A-1 Professional Services SOW for SaaS Migration
3. Exhibit A-2 – Part 1 of Subscription Services Agreement
4. Exhibit A-2 – Part 2 of Subscription Services Agreement

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