FY 2014-15 Capital Construction Request

Department of Revenue
DMV-Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES)

Presentation to the
Capital Development Committee
December 3, 2013

Attachment C

Overview

- Summary of the Request
- Background of Current Systems
- Planning Efforts and Analysis
- Project Details
- Security Measures

Summary of Request

- Joint request of the Department of Revenue and the Governor's Office of Information Technology
- Replaces the Driver License System (DLS), Colorado State Titling and Registration system (CSTARS), and supporting systems
- Project cost is $93,372,000 General Fund
  - $41,021,167 in FY 2014-15
  - $52,350,833 in FY 2015-16
- Assumes OIT-managed vendor-provided solution in state-hosted environment
- Assumes three-year implementation schedule

Background of DLS

- Services 5.1 million records including driver licenses, permits, identification cards, and commercial driver licenses
- DLS is mainframe-based and installed in 1995
- Utilizes various servers that serve as subsystems to support functions and data
- DOR/OIT provides all hardware, software, technical support, and communication links for all offices
- DLS has over 50 distinct processing modules and supports over 50 distinct business processes
- Records are processed from 36 state and 20 county offices

Background of CSTARS

- Services title and registration records for 5.2 million vehicles registered in the state
- Current version was developed between 1983 and 1988
- Consists of two major subsystems:
  - County Distributed Data Processing system
  - Statewide vehicle data warehouse system
- DOR/OIT provides all hardware, software, technical support staff, communication links, and supplies
- Records are processed from 64 counties and 1 state office

Stakeholders

- DLS Stakeholders
  - Interfaces with 36 state and 20 county offices
  - Interfaces with at least 10 other governmental agencies (SoS, CBI, CBMS, DLE, CDPHE, Court system, DoD)
  - Interfaces with Donor Alliance and Colorado Interactive
- CSTARS Stakeholders
  - Interfaces with 64 counties and 1 state office
  - Interfaces with other governmental agencies (CBI, RTD, POE, Envirotest, various law enforcement agencies)
  - National Motor Vehicle Titling Information System

Planning Efforts

Three Critical Steps for Successful Planning:

- Step I
  - Conducted Motor Vehicle Infrastructure Analysis (MVIA) in 2012
- Step II
  - Conducted Environmental Scan in 2013
- Step III
  - Process Improvements and CDC Request in 2013

Step I
MVIA Highlights

- Consultant conducted current state analysis of DLS, CSTARS, and supporting systems
- First time analysis completed on DMV systems
- Study documented, inventoried, and accounted for all systems and related infrastructure components
- Analysis identified databases, interfaces and data exchanges, and interfaces and exchanges with external agencies and other systems

Step I (Continued) MVIA Conclusions

- Customer Service
  - Frequent application down time impacting customer wait times and staff productivity
    - In 2012 DLS application was available 92.2% of the time, which equates to 419 hours of unplanned down time
    - CSTARS application was available 84.4% of the time, which equates to 1,689 hours of unplanned down time
  - Lack of data exchanges in real-time with the public and other end users
  - Limited functionality, scalability, and flexibility
  - Extremely complex to navigate increasing customer transaction times

Step I (Continued) MVIA Conclusions

- Technology
  - Diverse and disparate systems—DLS and CSTARS do not interface
  - Lacks integration of user interfaces
  - Operates on multiple different platforms
  - Obsolete technology and costly to support
  - Not efficient for application development
  - Lack of technical skills to provide support and make updates and changes

Step I (Continued) MVIA Conclusions

- DMV Administration
  - Lacks real-time data analysis and reporting capabilities
  - Lacks financial reporting and auditing capabilities
  - Lacks scalability and flexibility in creating business rules to streamline processes and procedures
  - Labor intensive, time consuming, and costly to implement legislative programming changes

Step I (Continued) MVIA Conclusions

- Security
  - Lack of online transaction logs and user tracking
  - Lack of flexibility with access levels and assignments
  - Lack of internal system controls
  - No registration control

Step II
Environmental Scan Highlights

- Consultant hired to identify viable options to modernize or replace DLS and CSTARS
- Five options were identified:
  - Do nothing
  - Replace DLS and CSTARS
  - Transform DLS and CSTARS
  - Replace DLS and transform CSTARS
  - Transform DLS and replace CSTARS
- Each option was assessed to determine the following:
  - If technical, business, and operational goals are satisfied
  - To determine one-time and ongoing costs
  - To determine project operational impacts
- Study included peer state findings and findings of vendors and solutions offered in recent years

Step II (Continued) Environmental Scan Conclusions

- Replace both DLS and CSTARS
- Option significantly meets business, technical, and operational goals
- May have implementation and operational risks
- May have a large capital cost

Step III
Process Improvements and CDC Request

- DMV completed five-year strategic plan in 2013
- DMV conducted Rapid Improvement Events in 2013
- Capitalized on Department experience and best practices utilized in the successful implementation of the CITA project
- Developed and submitted the DRIVES Capital Construction request in cooperation with OIT and the Governor's Office in the FY 2014-15 Budget

Step III (Continued) Project Plan Summary

- Created a DMV Technology Steering Committee with stakeholders from DOR, OIT, and representatives from the counties and SIPA
  - Role is to provide strategic direction, remove barriers, and resolve issues when escalated
- Created a Business Process and Technical Committee with stakeholders from DOR, OIT, counties, SIPA, SMEs
  - Role is to provide technical direction and escalate issues when necessary

Step III (Continued) Project Plan Time Table

- DOR and OIT published RFP on October 24, 2013 seeking consulting services to prepare RFP to replace DLS and CSTARS systems
  - Five member evaluation committee consisting of DOR and OIT staff
  - Goal is to have contract executed by mid January 2014

Step III (Continued) Project Plan Time Table

- Release RFP for system replacement by March 1, 2014 with a two-month response period
  - Competitive procurement process
  - Joint DOR/OIT submission
- Make RFP award by July 1, 2014
  - Joint DOR/OIT evaluation and selection committee
- Execute contract by September 1, 2014

Step III (Continued) Project Plan Time Table

- 3-year implementation schedule:
  - Phase I: Project start-up and replacing DLS system and supporting systems by March 1, 2016
  - Phase II: CSTARS replacement and supporting systems by September 30, 2017

Assumptions for Calculations

- Total project cost: $93,372,000
- Contract/Professional Services: $12,185,000
  - Consultants/Contractors: $2,400,000
  - IV&V: $2,250,000
  - Training: $200,000
  - Leased Space: $1,935,000
  - System Monitoring: $5,400,000

Assumptions for Calculations

- OIT Staff Backfill: $9,974,000 for 17.5 FTE
  - Includes Help Desk, Testers, Trainers, Lead Server Administrators, Contractor Operations, Network, Database Analysts
- DOR/DMV Staff Backfill: $3,671,000 and 39.0 FTE
  - Includes Project Managers, staff from Driver Control, Driver License, Investigations, Emissions, Titles and Registration, and Accounting

Assumptions for Calculations

- Software Acquisition: $45,211,000
  - Vendor software and data conversion/cleansing software
- Equipment: $17,991,000
  - Servers, storage, backup, licenses, network equipment, and network fees
- Project Contingency: $4,340,000
  - Represents 5% of total project cost

Assumptions for Calculations

- Ongoing maintenance and support and software license fees
  - Not known at this time—dependent upon selected vendor solution, vendor-hosting costs if applicable
  - Department does anticipate submitting request seeking funds for costs no sooner than FY 2017-18
- For comparison purposes, GenTax costs $3,645,000 annually or 7.2% of total project costs of $50.3 million

Security Highlights

- ISO is assigned to both the DMV Technology Steering Committee (Chief Information Security Officer) and to the Business Process and Technical Committee (Security Architect)
- Plan to incorporate security requirements in RFP
  - Security assessments are performed for every IT project and includes additional security reviews, remediation, and rigor on major IT projects at predefined gates

Questions?