

Clearwater, Florida, April 21, 2011

The Pinellas County Business Technology Services Board met in work session at 1:04 P.M. on this date in the County Commission Assembly Room, Pinellas County Courthouse, Clearwater, Florida, with the following members present:

Susan Latvala, County Commissioner, Chairman
Pam Dubov, Property Appraiser, Vice-Chairman
Ken Burke, Clerk of the Circuit Court (Late Arrival)
Deborah Clark, Supervisor of Elections
Bob Dillinger, Public Defender
Jeff Gates, temporarily representing Ken Burke, Clerk
Bernie McCabe, State Attorney
Robert S. LaSala, County Administrator
Chief Judge J. Thomas McGrady, Sixth Judicial Circuit
Captain Jim Main, representing Jim Coats, Sheriff
Diane Nelson, Tax Collector (Late Arrival)
Kenneth T. Welch, County Commissioner (Late Arrival)

Not Present

Jim Coats, Sheriff

Also Present

Paul F. Alexander, III, Director of Business Technology Services (BTS)
Dennis R. Long, Chief Assistant County Attorney
BTS Department Staff
Arlene L. Smitke, Deputy Clerk

AGENDA

1. Call to Order (Chair, Commissioner Latvala)
2. Designation of Voting Proxies (Chair, Commissioner Latvala)
3. Approval of Meeting Minutes (Chair, Commissioner Latvala)
BTS Board Meeting – January 20, 2011
4. Action Item – Approval of BTS Strategic Business Plan (Paul Alexander)
5. Action Item – Approval BTS FY12 Budget Proposal (Paul Alexander)
6. Action Item – Approval of Financial Subcommittee Recommendations (Billy Young)
7. Action Item – Approval of Oracle Business Solution Resolution (Paul Alexander)
8. Adjournment (Chair, Commissioner Latvala)

CALL TO ORDER

Chairman Latvala called the meeting to order at 1:04 P.M.

Mr. Alexander indicated that the Interlocal Agreement allows one proxy vote per year per member; that the clock has reset for the new calendar year; and that Captain Jim Main is representing Mr. Coats at today's meeting; whereupon, he noted that Commissioner Welch and Mr. Burke are en route and should arrive shortly.

MINUTES OF JANUARY 20, 2011 MEETING – APPROVED

Upon presentation by Chairman Latvala of the January 20, 2011 minutes, Ms. Nelson moved, seconded by Chief Judge McGrady and carried, that the minutes be approved as submitted.

Chairman Latvala announced that following the presentations and any discussion, the Board would vote on the business plan and the budget separately.

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During the following presentation, Commissioner Welch entered the meeting at 1:29 P.M. and Mr. Burke and Ms. Nelson entered at 2:08 and 2:10 P.M., respectively.

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APPROVAL OF BTS STRATEGIC BUSINESS PLAN

Noting that feedback from his one-on-one sessions with the members was incorporated into the strategic plan, Mr. Alexander gave a presentation titled *Pinellas County Business Technology Services Strategic Business Plan and BTS Budget Executive Overview 2011, Version 1.0*, which has been filed and made a part of the record. He discussed the Vision and the Mission Statements, noting that the paramount reason BTS exists is to enable its customers to work faster and to accomplish more. Mr. Alexander recognized the quality of his 142-member staff; whereupon, he introduced his leadership team.

Mr. Alexander discussed some high level accomplishments BTS has had delivering business value over the past year and related that in partnership with the

Constitutional Officers, BCC agencies, and the Courts, the department has implemented a number of budget reduction and business strategies to address challenges resulting from the economic downturn, some completed, some ongoing, including:

- ✓ Voice over Internet Protocol (VoIP) unified telephone system
- ✓ Metro Ethernet
- ✓ Enterprise Geographic Information System (EGIS)
- ✓ Justiceccms
- ✓ Stipend program for personal mobile devices for staff
- ✓ Retirement of the mainframe
- ✓ Elimination of online public records fees
- ✓ Leverage investment in OPUS/Oracle
- ✓ Leverage Oracle unlimited license agreement

Mr. Alexander indicated that the major projects BTS will be focusing on for next year are: JUSTICEccms, OPUS, CHEDAS, Enterprise GIS, and Maximo Enterprise Asset Management; and that goals and objectives will be developed to align with these business strategies and projects.

Mr. Alexander indicated that some County operations have been impacted because of staff reductions, the increased demand for BTS services, and the number and significance of strategies being implemented, including:

- ✓ The level one service call resolution rate has dropped from 83 percent to 64 percent, below the industry average; and the average telephone wait time has increased to 21 seconds.
- ✓ Priority One (Systems are Down) issues were averaging 65 per month three years ago, dropped to 25.5, and have risen slightly this past year (will be watched closely as are taken very seriously).
- ✓ Service response time has worsened.
- ✓ Network performance in general has dropped significantly, probably due to magnitude of changes being implemented.
- ✓ The amount of spam mail received, virus and Spyware threats, and network attacks have increased.
- ✓ The backlog of service requests has increased to over 500, some of which will not be addressed because the focus is on high priority items.

APPROVAL OF BTS FY 12 BUDGET PROPOSAL

Mr. Alexander indicated that the total budget is \$38,706,310 and equals the base operating budget (\$20,963,610), the Enterprise Cost Pools (\$15,378,410), the Capital Improvement Projects (\$922,010), and the Enterprise License and Maintenance fund (\$1,442,280). He indicated that the CIP and the Enterprise License and Maintenance funds were considered as issues and were not included in the base budget; and provided historical perspective regarding the base budget, noting that in 2007 it was \$43.8 million; that after a partial consolidation of BCC Information Services and Information Technology in 2008, it dropped to \$39.2 million; after the full consolidation in 2009, it dropped to \$28.9 million, it dropped to \$23.1 million in 2010, and in 2011, it is \$22.6 million; whereupon, he indicated that he is proposing a base budget of \$20.9 million for 2012, and delineated how it will be broken out.

Mr. Alexander discussed some of the major projects, including JUSTICEccms, OPUS, Enterprise GIS (EGIS), and EAM, and answered queries by the members. In response to query by Mr. Burke, Mr. Alexander confirmed that the base operating budget would be coming in under target from what the BCC has requested; but that if the Board votes to approve his additional requests, the request will be \$1,725,000 over the target. Discussion ensued regarding enterprise funding versus cost allocation, with Mr. Alexander indicating that he worked hard to make the budget as transparent as possible; whereupon, Mr. Burke pointed out that next year's budget is still based on the old cost allocation plan.

Mr. Alexander discussed opportunities and challenges, including:

- ✓ Economic recovery
- ✓ Limited resources/competing priorities
- ✓ BTS governance
- ✓ Unfunded legislative mandates
- ✓ Organizational development/retention

Thereupon, Mr. Alexander requested that the Board approve the strategic business plan and the proposed budget, and asked that the motion be clear on the treatment of the Enterprise Licensing and Maintenance fund in three components: (1) that it have a protection component where this Board weighs in on what goes in and what goes out of the fund; (2) that it be a separate cost center, which it already is; and (3) that it be calculated outside of budget targets, preserving the integrity of the fund for the infrastructure. He stated that his role would

be one of fiduciary responsibility and administration of the account to ensure the aggressiveness of the contracts and the pricing thereof.

In response to queries by Mr. Burke and Chief Judge McGrady, Mr. Alexander confirmed that the vote would be for an amount that is \$2.6 million over the target budget. Chairman Latvala explained that the Enterprise License and Maintenance fund would be stable and outside future reductions, if there are any, or future requests for reductions. Mr. Alexander stressed that protection of the fund would be necessary for future consolidation; that he would not take anything out of the fund or put anything into the fund unless the Board addressed it during the annual budget cycle; and that he would commit to maintain the fund on the Board's behalf; whereupon, Chairman Latvala noted that as more areas become part of the Enterprise License and Maintenance operation, the fund would grow, and Mr. Alexander concurred. In response to query by Mr. LaSala, Mr. Alexander, with input by Finance Manager Greg Carro, indicated that the Office of Management and Budget had not necessarily recommended doing the Enterprise License and Maintenance fund, but there had been an understanding and consensus of why BTS needed to protect the fund; whereupon, Mr. Carro agreed to furnish Mr. Burke with the amount budgeted for the current year for the Enterprise License and Maintenance cost pools.

Mr. LaSala indicated that he could support the concept, but would pursue the issue with his staff in terms of consistency with the way other mandated costs are handled, and discussion ensued.

Thereupon, Mr. Dillinger moved, seconded by Commissioner Welch, that the Enterprise Licensing Maintenance fund be removed from the BTS base operating budget. Upon call for the vote, the motion carried 11 – 1, with Mr. LaSala casting the dissenting vote.

Thereupon, Mr. Dillinger moved approval of the budget proposal, and Mr. LaSala seconded for the purpose of discussion. Mr. LaSala clarified that the budget submitted is a five percent increase over the previous year's budget; and Chairman Latvala commented that while the budget meets the target, Mr. Alexander is asking for things on top of the budget, which the BCC may or may not fund. The budget was discussed throughout the meeting, with Mr. Alexander commenting that he would be meeting individually with each Commissioner before his budget presentation in June.

Upon call for the vote, the motion to approve the budget proposal carried unanimously. Following the vote and noting the Board's confusion with the budget as presented, Ms. Nelson requested that a summary sheet, capturing all the after-the-fact figures, be provided for the budget presentation next year.

Thereupon, Commissioner Welch moved, seconded by Ms. Nelson and carried, that the Strategic Business Plan be approved

Pointing out the need for consistency, Mr. Dillinger suggested that a group be appointed to discuss with each Constitutional Officer to determine what items are appropriate to transfer to BTS, what items are appropriate to keep in-house, and what funding would flow with or without the transfers; whereupon, Mr. Alexander indicated that he would support an action item to determine opportunities for consolidation into the Enterprise License and Maintenance fund. Mr. LaSala recommended that the project be undertaken in two separate steps in order to not create the appearance of a conclusion, noting that the first step would be to identify and discuss the targets for consolidation; whereupon, Mr. Dillinger moved, seconded by Mr. LaSala, that BTS identify the items for each Constitutional Officer that would be appropriate for transfer to the Enterprise fund, if funded by the County. Mr. LaSala suggested that the project not be limited to the Constitutional Officers, but include the independent authorities and the departments under him, and Mr. Dillinger agreed to consider the suggestion as a friendly amendment to his motion.

Upon call for the vote, the motion carried unanimously.

Following the vote, Chairman Latvala clarified that the vote was only for Mr. Alexander to identify items to be considered for consolidation.

APPROVAL OF FINANCIAL SUBCOMMITTEE RECOMMENDATIONS

Mr. Alexander stated that a little over a year ago, the Board approved the concept of moving from cost allocation to cost recovery. He provided background information regarding the Financial Subcommittee, relating that the Board gave direction to form the Subcommittee; and that its members are volunteers, consisting of Clerk of the Circuit Court Ken Burke, Supervisor of Elections Deborah Clark, and County Commissioner Kenneth T. Welch, noting that Mr. Burke was recently elected as chairman. Mr. Alexander related that BTS was tasked as an organization to provide information that defines each business service as either a vertical business service (single or individual service) or a horizontal business service (shared or enterprise service); to recommend to the Subcommittee whether the service should be notional billing (track the consumption, but not cost allocate) or actual billing (direct billing); and to recommend a unit of measure for both the shared service and the individual services.

Mr. Alexander related that in January, the Board approved moving e-mail, the network, and the telephone to cost recovery, as recommended by the Subcommittee, noting that the three services represented about 10 percent of the BTS budget. Mr. Alexander indicated that following review, the Subcommittee is recommending that two additional services, Oracle E-Business Service and the Customer Support Center, be accepted as enterprise in nature and have notional billing, adding that the measure to consider costs for the Customer Support Center will be the number of contacts, and the measure for Oracle E-Business will be the number of users; whereupon, in response to query by Ms. Nelson, Mr. Young explained how each would be counted.

Thereupon, Mr. McCabe moved, seconded by Ms. Dubov, that the recommendations of the Financial Subcommittee be approved. In response to queries by Mr. Dillinger regarding the purpose of tracking, Mr. Alexander, with input by Mr. Young and Mrs. Clark, indicated that BTS plans to show what the total cost of ownership is for every business service; that the consumption of services will be tracked but not billed; and that the numbers will be used to measure the efficiency of the operation against the industry standard; whereupon, Mr. Burke pointed out that the metric would be needed to cost-allocate services to specific Enterprise funds and grants.

Upon call for the vote, the motion carried unanimously.

Mr. Young reported that the Financial Subcommittee has also approved six additional services for review for pricing: personal computing services; County web services; the Justice System, both the existing one and the new one; imaging; mainframe services; and security. He related that the five services already approved account for over 30 percent of the BTS budget; and that the goal is to get to 100 percent.

BTS BOARD RESOLUTION NO. 11-01 ADOPTED APPROVING THE COMMITMENT OF ITS MEMBERS TO SUPPORT AND LEVERAGE THE FUNCTIONALITY OF THE ORACLE PROJECT UNIFIED SOLUTIONS RELATED TO COMMON ENTERPRISE APPLICATIONS

Mrs. Clark moved, seconded by Commissioner Welch, that the resolution be approved.

Indicating her agreement with the philosophy of the resolution, Ms. Nelson referenced a system her department has with the Department of Motor Vehicles and asked for confirmation that it would fall under the guiding principle of “common where we can and

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different when we have to be,” noting that she would prefer not to be questioned each year regarding joining OPUS for the financial package. During discussion, with input by Mr. Alexander and Mrs. Clark, Attorney Long advised that the resolution has been revised since the April meeting to add (1) the last whereas clause, which addresses both horizontal and vertical applications, and (2) the fourth line of Section 1, which states that a plan of implementation has to be approved by both the BTS Board and the individual agencies, and that both additions would address the concerns of Ms. Nelson. Following discussion wherein Mrs. Clark indicated her comfort with the resolution, the motion carried unanimously.

Ms. Nelson thanked Attorney Long for his assistance and Mrs. Clark voiced her appreciation for Mr. Alexander and his staff, noting that she plans to sign a service agreement with BTS because of the very high level of expertise and service it provides her.

ADJOURNMENT

The meeting was adjourned at 3:56 P.M.