

FY 2014-15 Capital Construction Request

Department of Revenue

**DMV-Driver License, Record, Identification,
and Vehicle Enterprise Solution (DRIVES)**

Presentation to the
Joint Technology Committee
November 19, 2013



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

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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



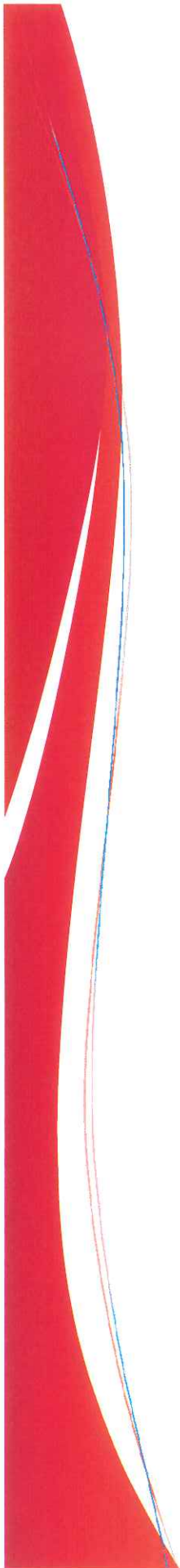
Assumptions for Calculations

- 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?