

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

407



FROM: Larry W. Ward, Assessor-County Clerk-Recorder

SUBMITTAL DATE:

June 7, 2012

SUBJECT: Tyler Technologies, Inc. (Formally known as Assessment Evaluation Services) Amendment Number 3

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve and execute the Third Amendment to the Agreement for Professional Services with Tyler Technologies, Inc. from July 1, 2012 to June 30, 2013, at a cost not to exceed \$50,000 annually.
- 2) Authorize the Purchasing Agent to execute administrative amendments and exercise the option to renew ongoing cost for 2 additional one-year periods, not to exceed the annual amount on behalf of the County.
- 3) Authorize the Purchasing Agent to sign any ministerial amendments on behalf of the County.

BACKGROUND:

This Amendment would allow the Assessor to continue the annual maintenance agreement for its decline in value reappraisal system and its appeals case management system. Ongoing support and maintenance for this software product is critical to the timely completion of the assessment roll. (Continued on Page 2)

Larry W. Ward
Larry W. Ward, Assessor-County Clerk-Recorder

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 50,000	In Current Year Budget:	<input checked="" type="checkbox"/>
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	<input type="checkbox"/>
	Annual Net County Cost:	\$ 0	For Fiscal year:	12/13

SOURCE OF FUNDS: Departmental Revenue	Position To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

APPROVE

C.E.O. RECOMMENDATION:

BY: *Karen L. Johnson*
Karen L. Johnson

County Executive Office Signature
(FOR THE BOARD MINUTES ONLY)

FORM APPROVED COUNTY COUNSEL
 BY: *Mark Seiler*
 NEAL R. KIPNIS
 Departmental Concurrence
 Approved: *Kevin K Crawford*
 Kevin K Crawford, CIO
 1/3/12
 Purchasing: *Mark Seiler*
 Mark Seiler, Assistant Director
 Dept't Recomm.:
 Per Exec. Ofc.:
 Consent
 Policy
 Consent
 Policy

Prev. Agn. Ref.:

District: *ALL*

Agenda Number:

3.3

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

Subject: Tyler Technologies, Inc., Amendment Number 3

June 7, 2012

Page 2

BACKGROUND: (Continued)

The amendment continues the existing agreement and allows the Assessor to obtain custom program enhancements without additional cost. The annual maintenance agreement also includes ongoing support and software patches.

In January 2008, the Assessor acquired this sophisticated program to address the rampant residential property value reductions. In January 2009, the Assessor acquired an Appeals module to address the increase in appeals of Assessor values. There were just under 650,000 assessments in 1996. There are now almost 1,000,000 assessments in Riverside County. The increase in the number of assessments, manifests the Assessor's continuing need for these tools to efficiently and effectively utilize scarce resources.

PRICE REASONABLENESS:

The proposed purchase price of \$50,000 per annual period for maintenance and support appears reasonable. The pricing is congruent with our research of similar purchases of this product statewide in various counties.

FINANCIAL DATA:

Tyler Technologies, Inc. will provide an ongoing software maintenance and support that will be billed twenty-five thousand dollars (\$25,000) per year. This will be billed upfront and will last for twelve calendar months.

Appeals Module – Annual Maintenance \$25,000

Prop 8 Module – Annual Maintenance \$25,000



LARRY W. WARD
COUNTY OF RIVERSIDE
ASSESSOR-COUNTY CLERK-RECORDER

Assessor
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(951) 955-6200

County Clerk-Recorder
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Date: June 7, 2012

From: Larry W. Ward **Department/Agency:** Assessor-County Clerk-Recorder
Bill Parris (James Moore)

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement: Tyler Technologies, Inc.

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. **Supply/Service being requested:** Ongoing annual support and custom programming changes on proprietary software modules within existing assessment value reduction and appeals case management systems.
2. **Supplier being requested:** Tyler Technologies, Inc. (Formerly known as Assessment Evaluation Services).
3. **Alternative suppliers that can or might be able to provide supply/service:** None. This is proprietary software. To integrate with alternate systems and a new vendor would not be cost effective or efficient.
4. **Extent of market search conducted:** The Assessor determined that knowledge of these custom created software systems would not be available from other sources due to the proprietary nature of the software.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** The existing assessment value reduction and appeals case management systems are proprietary in nature and custom integrated by the software provided. No other company has adequate knowledge to provide customizations or support of Tyler's assessment value reduction and appeals case management systems.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** The real property market is expected to remain depressed for the near future necessitating reassessment of a majority of parcels within the County under Proposition 8. The depressed real property market has increased assessment appeal filings and efficient usage of scarce resources requires the continued utilization of Tyler's appeals case management software. During these poor economic times and budget cuts, the Assessor needs ongoing support from this critical production software vendor to maintain existing levels of service and efficiency.



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7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** The pricing is consistent with congruent programs procured by other California counties.
8. **Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).** No
9. **Period of Performance:** July 1, 2012 to June 30, 2013, with options to renew annually to June 30, 2015

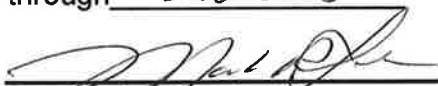
(Provide a defined period of performance. Please note multi-year terms require Board approval, unless renewable in one year increments and the Purchasing Agent approves the terms.)

ACR is requesting approval for up to 3 years on this sole source. The contract is renewable in one year increments.


Department Head Signature

6-12-2012
Date

Purchasing Department Comments:

<u>Approve</u>	Approve with Condition/s	Disapprove
Not to exceed: \$ <u>50,000</u>	↑ One time	↳ Annual Amount
through <u>6-30-2015</u>		
	<u>6-12-12</u>	<u>12-582</u>
Purchasing Agent	Date	Approval Number (Reference on Purchasing Documents)

**AMENDMENT NO. 3
TO THE AGREEMENT BY AND BETWEEN THE
COUNTY OF RIVERSIDE AND
TYLER TECHNOLOGIES, INC, FORMERLY KNOWN AS ASSESSMENT
EVALUATION SERVICES, INC (AES)**

WHEREAS, on February 11, 2008, the County of Riverside, California (hereafter referred to as "COUNTY") and TYLER TECHNOLOGIES, INC (hereafter referred to as "TYLER") formerly known as Assessment Evaluation Services, Inc., signed a Software Licensing Agreement (hereafter referred to as the "Agreement") for the Mass Evaluation Software System; and,

WHEREAS, on January 13, 2009, the COUNTY and TYLER, signed an amendment to the Agreement to add the Appeals Software System;

WHEREAS, the COUNTY and TYLER desire to amend the Agreement so that TYLER can continue to provide maintenance and support for both the Mass Valuation Software System and the Appeals Software System.

NOW THEREFORE the following terms of this Amendment shall become effective as of the last date set forth on the signature page hereto (the "Effective Date"). All other terms and conditions of the Agreement as previously amended remain the same and in effect, unless specifically altered in this Amendment.

The parties therefore agree as follows:

This Amendment includes the following Exhibits, each of which is incorporated herein by reference. Any inconsistencies in the Agreement shall be resolved by the following order of preference:

Amendment 3 – This Document

Exhibit A – Cost and Fee Schedule / Scope of Work

**AMENDMENT NO. 3
TO THE AGREEMENT BY AND BETWEEN THE
COUNTY OF RIVERSIDE AND
TYLER TECHNOLOGIES**

SIGNATURE PAGE

TYLER TECHNOLOGIES, INC

COUNTY OF RIVERSIDE

By: 

By: _____

Name: Mike Dwyer

Name: _____

Title: Director

Title: _____

Date: 6-7-2012

Date: _____

By: _____

FORM APPROVED COUNTY COUNSEL
BY:  6/8/12
NEAL R. KIPNIS DATE

Name: _____

Title: _____

Date: _____

Exhibit A

COST AND FEE SCHEDULE / SCOPE OF WORK

Fees and Expenses:

The purchase order for this Scope of Work (SOW) provides that Tyler will continue on-going software maintenance and support at a unit cost of **\$25,000** per year per software system. This agreement covers both the Mass Evaluation Software System and the Appeals Software System for a total annual cost of **\$50,000**. The annual support costs will increase annually in accordance with the London Interbank Offered Rate (LIBOR) annual index (difference between LIBOR on previous due date and current due date), not to exceed four percent.

DESCRIPTION	PRODUCTION		
	Notes	Recurring Costs	One Time Costs
12 month Maintenance agreement: Mass Evaluation Software System		\$25,000	0
12 month Maintenance agreement: Appeals Software System.		\$25,000	0
Total Recurring Costs for Production:			\$50,000

Payment Schedule:

TYLER's payment, as outlined below, will be upon receipt of an annual invoice for the support and maintenance costs.

Invoice #	Estimated Date	Amount
1	7/1/2012	\$50,000
2	7/1/2013	\$50,000
		\$100,000