



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

FROM: Peter Aldana, Assessor-County Clerk-Recorder
Don Kent, Treasurer-Tax Collector
Paul Angulo, Auditor-Controller

SUBMITTAL DATE:
May 5, 2015

SUBJECT: Approval of Computer Ideas, Inc. as a sole source provider without pursuing competitive bids to provide Computer Maintenance Services and Support for the Property Tax System. Districts: All. [Total Cost: \$1,874,600]; Department Revenues (47.5%) and CREST Capital Project Fund (52.5%)

RECOMMENDED MOTION: In accordance with Ordinance 459.4, move that the Board of Supervisors
1. Approve the Purchasing Agent to execute the Third Amendment to the Agreement for Professional Services with Computer Ideas, Inc. at a cost not to exceed \$1,874,600; and extend the original agreement from July 1, 2015 to June 30, 2016.

BACKGROUND: Summary:

The County of Riverside continues to advance in its commitment to re-engineer and replace its mission critical property tax administration mainframe system. The County of Riverside Enterprise Solution for Property Taxation (CREST) Project unites the County's three property tax departments. The goal is to capitalize on the latest information technology advancement and designs, and implement a new Integrated Property Tax Management System (IPTMS) to meet the business and operational needs of the Assessor-County Clerk-Recorder, Auditor-Controller, and Treasurer-Tax Collector departments.

(Continued on Page 2)

Peter Aldana
Assessor-County Clerk-Recorder

Don Kent
Treasurer-Tax Collector

Paul Angulo
Auditor-Controller

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$	\$ 1,874,600	\$ 1,874,600	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: Departmental Revenues and CREST Capital Project Fund

Budget Adjustment:

For Fiscal Year: 15/16

C.E.O. RECOMMENDATION: APPROVE

FORM APPROVED COUNTY COUNSEL

BY: Samuel Wong
County Executive Office Signature

BY: GREGORY P. PRIAMOS
DATE 5/8/15

MINUTES OF THE BOARD OF SUPERVISORS

☐ A-30
☐ 4/5 Vote
☐ Positions Added
☐ Change Order

Prev. Agn. Ref.: June 5, 2006; #3.68;
Dec. 9, 2008; #3.10; June 5, 2012; #3.10

District: All

Agenda Number:

3-5

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of Computer Ideas, Inc. as a sole source provider without pursuing competitive bids to provide Computer Maintenance Services and Support for the Property Tax System. Districts: All. [Total Cost: \$1,874,600]; Department Revenue (100%)
DATE: May 5, 2015
PAGE: 2 of 2

BACKGROUND:

Summary (continued)

The County's 40-year old Property Tax System built on the mainframe architecture is considered outdated. Moreover, the system architecture consists of complex and custom programming utilizing COBOL programming language that is becoming a scarce skill to hire within the industry. Modifications and enhancements are needed constantly to stay current with changing business needs and to maintain the current system. As a result, knowledgeable technicians of mainframe technology are rare, let alone acquiring those with the familiarity of Riverside County's version of the property tax system. The owner of Computer Ideas, Inc. has been intimately involved in its development and maintenance since its inception.

The CREST team will also need these knowledgeable resources to extract mainframe Property Tax data and make it available for importing into the new Property Tax System currently under development.

Contract History and Price Reasonableness

Computer Ideas, Inc. possesses vast knowledge and experience with the Riverside County Property Tax mainframe, dating back to its inception. It was the only vendor with at least three years' experience with California Property Tax Systems the last time bids were received in 2005. Pricing charged by Computer Ideas ranges from \$55 to \$90 per hour for services. This compares favorably against rates quoted by other vendors under County contract award, which range in price from \$52 to \$109 per hour for similarly classed services. Computer Ideas have maintained their contracted pricing from last year. Based on this comparison, the pricing is deemed to be fair and reasonable. An additional key factor is that this vital system needs to stay up and running. Moreover, as the CREST team works to complete the new property tax system, it is critical for them to have knowledgeable and reliable technical support for the transition to the new system. In compliance with Board Policy H-11 (Acquisition and Management of Information Systems and Services), the Riverside County Technology Standards & Oversight Committee reviewed, and recommended the approval of this proposed information technology acquisition, on May 6, 2015.

Impact on Citizens and Businesses

The new Property Tax System will replace the County's current 40 years old legacy mainframe system and will optimize the County's revenue generation efficiency and help protect the County's fiscal stability. The benefits of removing manual processes, minimizing costly errors and eliminating inefficiencies by automating operations will provide savings to the County over future decades. The new system will enable the County to more effectively implement and enforce its legal mandates for property tax administration. More importantly, the new system will allow the departments to service the public more efficient and effectively.

SUPPLEMENTAL:

Additional Fiscal Information

The total contract amount through June 30, 2016 is not to exceed \$1,874,600.

- Assessor-County Clerk-Recorder not to exceed \$350,200
- Treasurer-Tax Collector not to exceed \$360,500
- Auditor-Controller not to exceed \$175,100
- CREST not to exceed \$988,800



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
To be completed for all departmental purchases of IT systems, services or renewals

PR 2015-

02674

Tracking Number for
Internal Use Only

REQUESTED PURCHASE:		COMPUTER MAINTENANCE SERVICES AND SUPPORT FOR THE PROPERTY TAX SYSTEM	
DEPARTMENT/AGENCY:		ASSESSOR-COUNTY-CLERK RECORDER/TREASURER-TAX COLLECTOR/AUDITOR-CONTROLLER	
CONTACT NAME/PHONE:		KAN WANG (951) 955-0350 / JAMES MOORE (951) 486-7485	
PURCHASE REQUEST:		<input checked="" type="checkbox"/> NEW EQUIPMENT/ <u>SERVICES</u> <input type="checkbox"/> UPGRADE <input type="checkbox"/> REPLACEMENT	
PURCHASE TYPE:		<input checked="" type="checkbox"/> PROFESSIONAL SERVICES <input type="checkbox"/> SOFTWARE <input type="checkbox"/> HARDWARE <input type="checkbox"/> RENEWAL	
DESCRIBE REQUESTED PURCHASE	<p>To renew the the Professional Services Agreement with Computer Ideas, Inc. for Maintenance Services, IT Consulting Services for Property Applications Development and Business Systems Analysts Services.</p> <p>To extend the original agreement from 7/1/2015 to 6/30/2017.</p> <p>Services include performing mainframe computer software support and maintenance on the Riverside County Property Tax system used by the Treasurer-Tax Collector, Assessor, and Auditor Controllers' integrated Property System. Services will also be used by the County of Riverside Enterprise Solution for Property Tax (CREST) for data analysis and migration.</p>		
BUSINESS NEEDS ADDRESSED	<p>Computer Ideas, Inc. participated as part of the original mainframe Property System design and development team; has specific knowledge of the Riverside County Property System; has supported the Treasurer-Tax Collectors system for 10 years; and retains proprietary information vital to the upkeep and operations of the system. Computer Ideas has an excellent understanding of the Property System's data management system and how IMS facilitates the COBOL application development in a mainframe environment, TSO, ISPF, and JCL; and has a thorough understanding of hierarchical databases and knowledge of DL/I Application programming for the Riverside County Property System.</p>		
ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY?		<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> UNKNOWN THE BOARD OF SUPERVISORS APPROVED COMPUTER IDEAS, INC. AS A SOLE SOURCE PROVIDER	
BUSINESS CRITICALITY <input checked="" type="checkbox"/> Run the business <input type="checkbox"/> Grow the business <input type="checkbox"/> Transform the business		BUSINESS IMPACT (SELECT ALL THAT APPLY) <input checked="" type="checkbox"/> Support current operations <input type="checkbox"/> Reduce Expenses <input type="checkbox"/> Improve Customer Service <input checked="" type="checkbox"/> Improve Operational Efficiencies	
BUSINESS RISKS	<p>Financial: A large financial risk would exist without the Professional Service for maintenance services and support in place. County of Riverside continues to advance in its commitment to re-engineer and replace its mission critical property tax administration mainframe system.</p> <p>Operational: The County's 40-year old Property Tax System built on the mainframe architecture is considered outdated. Moreover, the system architecture consists of complex and custom programming utilizing COBOL programming language that is becoming a scarce skill to hire within the industry. Modifications and enhancements are needed constantly to stay current with changing business needs and to maintain the current system</p> <p>Customer: Services and resources could be significantly impacted if hardware issues resulted in a loss of production for the County's three property tax departments. It is critical for them to have knowledgeable and reliable technical support for the transition to the new system.</p>		
ALTERNATIVE	N/A		



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for
Internal Use Only

SOLUTIONS																													
TRANSACTION	<input checked="" type="checkbox"/> Cash Purchase <input type="checkbox"/> Lease Purchase Lease Years: _____																												
PURCHASE COSTS	COST BENEFIT ANALYSIS																												
Hardware: \$																													
Software: \$																													
Labor: \$																													
Total Cost: \$3,749,200*																													
\$1,874,600 FY 15/16																													
\$1,874,600 FY 16/17																													
	<table border="1"><thead><tr><th></th><th>ALTERNATIVE STATUS QUO</th><th>ALTERNATIVE</th><th>ALTERNATIVE</th></tr></thead><tbody><tr><td>Current Annual Cost</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Ongoing Annual Cost</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Annual Cost Savings</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Net Annual Savings</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Project Implementation Cost</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Project Payback Period? yrs</td><td>N/A</td><td>N/A</td><td>N/A</td></tr></tbody></table>		ALTERNATIVE STATUS QUO	ALTERNATIVE	ALTERNATIVE	Current Annual Cost	N/A	N/A	N/A	Ongoing Annual Cost	N/A	N/A	N/A	Annual Cost Savings	N/A	N/A	N/A	Net Annual Savings	N/A	N/A	N/A	Project Implementation Cost	N/A	N/A	N/A	Project Payback Period? yrs	N/A	N/A	N/A
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Project Implementation Cost	N/A	N/A	N/A																										
Project Payback Period? yrs	N/A	N/A	N/A																										
	*Board approved 2-Year Contract from July 1, 2015 – June 30, 2017 at a cost not to exceed \$3,749,200																												
Department Head Signature: <i>David Montgomery</i> Date: <i>4-29-15</i>																													

RCIT RECOMMENDATION – for purchases and renewals under \$100,000	
Recommended:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Non-recommended requests submit to TSOC)
By: <i>Van H. [Signature]</i>	Date: <i>4/29/15</i>
Chief Information Officer Signature: <i>[Signature]</i>	Date: <i>5/6/15</i>

RCIT explanation for non-recommended requests:

TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals	
Recommended:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (In no, provide explanation below)
TSOC Chair Signature: <i>[Signature]</i>	Date: <i>5/4/15</i>

TSOC explanation:

**COUNTY OF RIVERSIDE
AMENDMENT NO. 3 TO THE AGREEMENT
WITH
COMPUTER IDEAS, INC.**

CONTRACTOR:	Computer Ideas, Inc.
Contract Term:	July 1, 2015 through June 30, 2016
Effective Date of Amendment:	July 1, 2015
Annual Maximum Contract Amount:	\$ 1,874,600.00
Contract:	ASARC-92000-001-06/15

The Agreement between Riverside County, herein referred to as COUNTY and COMPUTER IDEAS, INC., herein referred to as CONTRACTOR, is amended as follows:

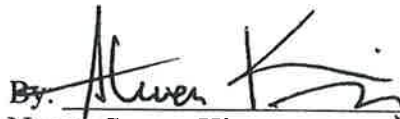
1. On page 1 of the Agreement, amend Section 3 the "Time for Performance": To amend all reference to the Time for Performance from expiration of June 30, 2015 to a Period of Performance of July 1, 2015 through June 30, 2016, unless terminated as specified in Section 9 TERMINATION. All other terms of the Period of Performance in the Agreement shall apply.
2. All other terms and conditions of the Agreement are to remain unchanged.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

County
County of Riverside
Purchasing and Fleet Services
Riverside, CA 92501

Contractor
Computer Ideas, Inc.
PO Box 19032
Irvine CA 92613-9032

By: _____
Name: Jim Hewett
Title: Procurement Contract Specialist
Date: _____

By:  _____
Name: Steven King
Title: President and Treasurer
Date: 03-30-2015

FORM APPROVED COUNTY COUNSEL
BY:  _____
NEAL R. KIPNIS DATE

BOS Agenda # 3.11 & Date 09/27/2005
BOS Agenda # 3.13 & Date 12/09/2008
BOS Agenda # 3.10 & Date 06/05/2012

Form #116-311 Revision Date: 04/21/09

County of Riverside Purchasing and Fleet Services * 2980 Washington Street Riverside, CA 92504
Phone: 951-955-4937 Fax: 951-955-4948
www.co.riverside.ca.us



PETER ALDANA
Assessor-County Clerk-Recorder

COUNTY OF RIVERSIDE
ASSESSOR-COUNTY CLERK-RECORDER
P.O. BOX 751
RIVERSIDE CA 92502-0751
(951) 486-7450

DAVID MONTGOMERY
ASSISTANT
Valuation Division
TAUNA MALLIS
ASSISTANT
County Clerk-Recorder Division
BOBBI SCHUTTE
ASSISTANT
Administration

Date: May 6, 2015

From: Peter Aldana Department/Agency: ACR
Kan Wang (James Moore)

To: Board of Supervisors

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for IT Consulting Services for Property Applications Development and Business Systems Analysts services from Computer Ideas, 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:** Services to perform mainframe computer software support and maintenance on the Riverside County Property Tax system used by the Treasurer-Tax Collector, Assessor, and Auditor Controllers' integrated Property System. Services will also be used by the County of Riverside Enterprise Solution for Property Tax (CREST) for data extraction.
2. **Supplier being requested:** Computer Ideas, Inc.
3. **Alternative suppliers that can or might be able to provide supply/service:** Alternate suppliers are unavailable as some parts of this mainframe system were originally developed by Computer Ideas, Inc. specifically for the County and are proprietary to Riverside County.
4. **Extent of market search conducted:** The Assessor's Department in cooperation with Purchasing determined that knowledge of this custom created mainframe software system 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:** Computer Ideas, Inc. participated as part of the original mainframe Property System design and development team; has specific knowledge of the Riverside County Property System; has supported the Treasurer-Tax Collectors system for 10 years; and retains proprietary information vital to the upkeep and operations of the system. Computer Ideas has an excellent understanding of the Property System's data management system and how IMS facilitates the COBOL application development in a mainframe environment, TSO, ISPF, and JCL; and has a thorough understanding of hierarchical databases and knowledge of DL/I Application programming for the Riverside County Property System.



**COUNTY OF RIVERSIDE
ASSESSOR-COUNTY CLERK-RECORDER**

P.O. BOX 751
RIVERSIDE CA 92502-0751
(951) 486-7450

DAVID MONTGOMERY
ASSISTANT
Valuation Division

TAUNA MALLIS
ASSISTANT
County Clerk-Recorder Division

BOBBI SCHUTTE
ASSISTANT
Administration

PETER ALDANA
Assessor-County Clerk-Recorder

6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** The Property System was designed specifically to meet the ever-changing needs of the County and uses an integrated approach to tie-in the Treasurer-Tax Collector to the Assessor and Auditor Controllers' to a single system. Computer Ideas was a part of this original design team and by retaining this vendor, we are assured of a continued high level of dependability and system up time. The unique skills allow the vendor to provide operational and project support efficiently and effectively as the current mainframe system is a mission critical system within all three property tax departmental operations.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** The total contract amount is not to exceed \$1,874,600. The amounts shall be the same and shall not increase for each department through June 30, 2016. Pricing charged by Computer Ideas ranges from \$55 to \$90 per hour for services. This compares favorably against rates quoted by other vendors under County contract award, which range in price from \$52 to \$109 per hour for similarly classed services. Based on this comparison, the pricing is deemed to be fair and reasonable.
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, 2015 to June 30, 2016

(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 2 years on this sole source or until the CREST Project is completed and the tax system is migrated.

Peter Aldana 5/8/15
Department Head Signature Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ 1,874,600.00 One time Annual Amount through 6/30/16

Lisa Brandt 5/7/15 15-510
Purchasing Agent Date Approval Number
(Reference on Purchasing Documents)