

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

940



**FROM:** Larry W. Ward, Assessor-County Clerk-Recorder  
Don Kent, Treasurer-Tax Collector  
Robert Byrd, Auditor-Controller

**SUBMITTAL DATE:**  
June 8, 2010

**SUBJECT:** Sole Source professional services contract with Sierra Systems Inc. to provide specialized transition engineering and implementation consulting services to support new Property Tax System Development.

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 1) Authorize the Chairman of the Board to sign four (4) copies of the attached one-year contract agreement not to exceed \$350K with Sierra Systems Inc.;
- 2) Authorize the Purchasing Agent to sign any ministerial amendments on behalf of the County; and
- 3) Authorize the Assessor-County Clerk-Recorder; Treasurer-Tax Collector; and Auditor-Controller to administer the agreement with Sierra Systems Inc.

**BACKGROUND:** The Assessor-County Clerk-Recorder; Treasurer-Tax Collector; and Auditor-Controller are re-engineering the County's 38 year old Property Tax System. Sierra Systems Inc., completed the first phase of this initiative by analyzing the current Property Tax System and making recommendations for its replacement.


In that initiative, Sierra Systems Inc., worked as the exclusive vendor with the County to produce certain artifacts for re-engineering the County's Property Tax System. These artifacts detailed the As-Is Business Process Models, As-Is Data Models, To-Be Business Process Models, To-Be System Functional Specifications, To-Be Data Models, business plans, and a Request for Proposal for a new replacement Property Tax System.

Continued at Page 2

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|--|---|--|
| <br>Larry W. Ward<br>Assessor-County Clerk-Recorder | <br>Don Kent<br>Treasurer-Tax Collector | <br>Robert Byrd<br>Auditor-Controller |
|--|---|--|

|                       |                               |            |                         |         |
|-----------------------|-------------------------------|------------|-------------------------|---------|
| <b>FINANCIAL DATA</b> | Current F.Y. Total Cost:      | \$ 16,800  | In Current Year Budget: | Yes     |
|                       | Current F.Y. Net County Cost: | \$ 16,800  | Budget Adjustment:      | No      |
|                       | Annual Net County Cost:       | \$ 333,200 | For Fiscal Year:        | 2009/10 |

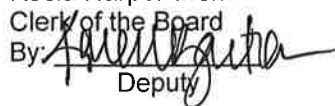
|  |   |                          |
|--|---|--------------------------|
| <b>SOURCE OF FUNDS:</b> Existing department budget | <b>Positions To Be Deleted Per A-30</b> | <input type="checkbox"/> |
|  | <b>Requires 4/5 Vote</b>                | <input type="checkbox"/> |

**C.E.O. RECOMMENDATION: APPROVE**  
BY:   
Rob Rockwell  
**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone and Ashley  
Nays: None  
Absent: Benoit  
Date: June 8, 2010  
xc: ACR, Auditor, Treasurer, RCIT, Purchasing

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

**Prev. Agn. Ref.:** June 19, 2007; #3.39 | **District:** All | **Agenda Number:**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

3.13

FORM APPROVED BY COUNTY COUNSEL  
 BY: Neal R. Kipnis DATE: 6/16/10  
 RCIT Matthew Fyrmir, RCIT Purchasing  
 Mark Seiler, Assistant Director  
 Department Counsel

**Subject:** Sole Source professional services contract with Sierra Systems Inc. to provide specialized transition engineering and implementation consulting services to support new Property Tax System Development.

June 8, 2010  
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Based on that work, Sierra Systems Inc. holds exclusive knowledge and capabilities to support the upcoming engineering tasks associated with the implementation of a new Property Tax System. Due to attrition, staff adjustments, and the age of the current Property Tax System, appropriately qualified resources neither exist inside nor outside the County to provide the specialized services defined in this professional services agreement.

**Price Reasonableness:**

Sierra Systems Inc. was selected for the first phase of the CREST Project through a detailed competitive RFP process. Their hourly rate and technical expertise made them the lowest cost, most responsible, and most responsive bidder.

The vendor continues to offer these services at rates below their standard contractual rates and at the same rates of the prior year (no increase). Key factors to retain Sierra's services are its staff's knowledge and experience of working on the new property system project since its inception. An additional key factor is that this project needs to continue seamlessly.

The total contract amount is not to exceed \$350,000 annually.

The property tax departments have sufficient funds already allocated in the CREST Project budget for these professional services for FY09/10 and FY10/11. There is no additional Net County Cost associated with this initiative.



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

Assessor  
P.O. Box 12004  
Riverside, CA 92502-2204  
(951) 955-6200

County Clerk-Recorder  
P.O. Box 751  
Riverside, CA 92502-0751  
(951) 486-7000

[www.riversideacr.com](http://www.riversideacr.com)  
[www.riversidetaxinfo.com](http://www.riversidetaxinfo.com)

Date: May 18, 2010

From: Larry W. Ward, Assessor Department/Agency: Assessor-County Clerk-Recorder

To: Board of Supervisors

Via: Purchasing Agent

Subject: Sole Source Procurement Request for Specialized Transition Engineering and Implementation Consulting Services to Support New Property Tax System Development

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Sole Source Procurement Request for: **Services Contract for Specialized Transition Engineering and Implementation Consulting Services to Support New Property Tax System Development**

Supply / Service being requested: **Specialized Transition Engineering and Implementation Consulting Services to Support New Property Tax System Development**

Supplier being requested: **Sierra Systems Inc.**

Alternative suppliers that can or might be able to provide supply / service: **None, due to specific detailed knowledge Sierra has from working the project since its inception that no other vendor could possibly have.**

Extent of market research conducted: **None.**

Unique features of the supply/service being requested from this supplier which no alternative supplier can provide: **Sierra participated with the new Property Tax System re-engineering since its inception in documenting the existing system and the needs for a new system. As a result, Sierra staff compiled exclusive knowledge possessed by no other vendor.**

Reasons why my department requires these unique features and what benefit will accrue to the County:  
**The new Property Tax System project lost key personnel possessing over 30 years of knowledge encompassing details of the existing system plus re-engineering details for a new system.**

Price Reasonableness: **In consideration of the existing County budget cuts, Sierra continues its willingness to work at rates below their standard contractual levels and at the same rates of the prior year (no increase). Key factors to retain Sierra's services are its staff's knowledge and experience from working the new Property Tax System project since its inception. An additional key factor is that this project needs to continue seamlessly as we move forward to develop a new Property Tax System.**

Does moving forward on this product or service further obligate the County to future similar contractual arrangements: **No.**

Department Head Signature

5/20/2010

Date

Purchasing Department Comments

Approve

Approve with Comments

Disapprove

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## AGREEMENT FOR PROFESSIONAL SERVICES

The County of Riverside ("COUNTY") and Sierra Systems Inc. ("CONTRACTOR")

hereby agree as follows:

1. PROJECT - CONTRACTOR shall perform specialized transition engineering and implementation consulting services to support new Property Tax System development as specified in Exhibit A.

2. SCOPE OF SERVICES - CONTRACTOR shall provide the specialized services specified in Exhibit A in a complete, skillful and professional manner. COUNTY shall assign a project manager to coordinate the work of CONTRACTOR.

3. TIME FOR PERFORMANCE - - CONTRACTOR shall provide these services for three months beginning June 14, 2010 through September 12, 2010, renewable for three additional three-month periods during the period of September 13, 2010 through June 12, 2011.

4. COMPENSATION - The total amount of compensation paid to CONTRACTOR for the services to be provided pursuant to this agreement (including any costs incurred by CONTRACTOR) shall be as set forth in Exhibit A. For the period of June 14, 2010 through June 12, 2011, this shall be a total payment not to exceed \$350,000 USD (three-hundred fifty thousand US dollars) of work for the CREST Project.

5. LICENSES - CONTRACTOR, including its employees, agents, contractors, and subcontractors shall maintain all professional licenses required by the law of the State of California or other applicable laws or regulations at all times while performing services under this agreement.

6. INSURANCE - Without limiting CONTRACTOR'S indemnification obligations under this agreement, CONTRACTOR shall maintain in force at all times during the performance of this agreement insurance policies evidencing coverage during the entire term of the agreement as follows:

**AGREEMENT FOR PROFESSIONAL SERVICES**

- a. General liability insurance in the amount of not less than \$1,000,000 per occurrence and aggregate.
- b. Workers' Compensation insurance in accordance with California law.
- c. If motor vehicles are used, not less than \$300,000 combined single limit motor vehicle insurance for damage to property and injury to persons.

Certificates satisfactory to COUNTY'S Risk Manager evidencing the maintenance of such insurance coverage shall be required prior to the state of provision of services under this agreement. COUNTY shall be give notice, in writing, at lease thirty (30) days in advance of cancellation, modification or reduction in coverage. All insurance shall be with a company or companies admitted by the Department of Insurance for the State of California to transact insurance business in California.

7. **CONTRACTOR'S LIABILITY; INDEMNIFICATION** - CONTRACTOR shall comply with all applicable laws, rules and regulations related to the project. CONTRACTOR shall indemnify, save and hold harmless COUNTY, including its officers, employees and agents, from any and all liabilities, claims, debts, damages, demands, or actions of whatsoever kind, nature or sort (including, but not by way of limitation, wrongful death, expenses of the defense of said parties, and the payment of attorney fees) arising out of or in any manner connected with CONTRACTOR'S performance of services pursuant to this agreement. CONTRACTOR shall assume full responsibility for payments of federal, state and local taxes or contribution imposed or required under the social security, workers' compensation, income tax law, any disability or unemployment law, or retirement contributions of any sort whatever, concerning the CONTRACTOR or any employee or agent thereof.

8. **WORK PRODUCT** – All work, reports, documentation (regardless of format) findings or data assembled or compiled by CONTRACTOR pursuant to this agreement shall be

## AGREEMENT FOR PROFESSIONAL SERVICES

and remain the sole property of the COUNTY. COUNTY reserves the right to authorize others to use or reproduce such materials. CONTRACTOR may not provide such materials to third parties without specific written authorization from COUNTY.

9. TERMINATION - This agreement may be terminated by CONTRACTOR or COUNTY upon written notice to the other party in the event of substantial failure of performance by the other party. COUNTY may terminate this agreement if CONTRACTOR assigns a person to work on this project that COUNTY believes is not properly qualified to do the work. In addition, COUNTY may terminate this agreement in its sole discretion and without cause upon thirty (30) days written notice to CONTRACTOR; and in such case, CONTRACTOR shall be paid for all proper services performed up to the date of termination; and COUNTY shall not be responsible to pay for services that have not yet been performed.

10. INDEPENDENT CONTRACTOR - CONTRACTOR and its agents, servants and employees shall act at all times in an independent capacity with regard to performance of services rendered pursuant to this agreement, and shall not act as, and shall not be and shall not in any manner be considered to be, agents, officers or employees of COUNTY. The parties intend that in performing these services CONTRACTOR shall act as an independent contractor, having control of the work and the manner in which it is performed. CONTRACTOR is not to be considered an agent or employee of COUNTY and is not entitled to participate in any bonus plans or similar benefits that COUNTY provides for its employees. CONTRACTOR is responsible for compliance with the payment of employer-related taxes, business licenses and insurance on CONTRACTOR'S own behalf, and for CONTRACTOR'S employees (if any) including but not limited to federal and state income taxes, federal and state unemployment insurance, workers' compensation insurance, adequate property damage and personal liability insurance, and Social Security (FICA) taxes, the cost of which is not reimbursable under this

## AGREEMENT FOR PROFESSIONAL SERVICES

agreement. The sole interest and responsibility of COUNTY is to assure that the services covered by this agreement shall be performed and rendered in a competent and efficient manner.

11. ASSIGNMENT - Neither this agreement nor any part thereof shall be assigned by CONTRACTOR without the prior written consent of COUNTY.

12. NONDISCRIMINATION - CONTRACTOR shall not discriminate in its recruiting, hiring, promotion, demotion or termination practices on the basis of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this agreement; and, to the extent they are applicable to this agreement, CONTRACTOR shall comply with the provisions of the California Fair Employment Practices Act (commencing with Section 1410 of the Labor Code), and the Federal Civil Rights Act of 1964 (P.L. 88-352).

13. ALTERATION - No alteration or variation in the terms of this agreement shall be valid unless made in writing and signed by both parties; and no oral understanding or agreement not incorporated herein shall be binding on the parties. The terms contained in this agreement shall represent the entire agreement between the parties regarding the services to be provided by CONTRACTOR.

14. CONFLICT OF INTEREST - CONTRACTOR shall have no interest, and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree with the performance of services required under this agreement.

15. WAIVER- Any waiver by COUNTY of any one or more of the terms of this agreement shall not be construed to be a waiver of any subsequent breach of the same or of any other term hereof. Failure on the part of COUNTY to require exact, full and complete compliance with any terms of this agreement shall not be construed as in any manner changing the terms hereof or stopping COUNTY from enforcement of such terms.

**AGREEMENT FOR PROFESSIONAL SERVICES**

16. **SEVERABILITY** - If any provision of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of the agreement will continue in full force without being impaired or invalidated in any way.

17. **CONFIDENTIALITY** - CONTRACTOR, including its employees and agents, shall keep confidential all information that is obtained from COUNTY pursuant to this agreement.

18. **NOTICES** - All correspondence and notices required or contemplated by this agreement shall be delivered to the respective parties at the address set forth below and are deemed submitted one (1) day after their deposit in the United States Mail, postage prepaid:

**County of Riverside**  
CREST Project  
4080 Lemon Street  
6<sup>th</sup> Floor - MS1102  
Riverside, CA 92502

**Sierra Systems Inc.**  
400 North Continental Boulevard  
Suite 300  
El Segundo, CA 90245



**AGREEMENT FOR PROFESSIONAL SERVICES**

19. JURISDICTION - Any legal action related to performance or interpretation of this agreement shall be filed in the appropriate court of the State of California located in Riverside, California.

**COUNTY OF RIVERSIDE**

By: Marion Ashley Dated: JUN 08 2010  
Chairman, Board of Supervisors **MARION ASHLEY**

ATTEST:  
KECIA HARPER-IHEM, Clerk

By: Kecia Harper-Ihem  
DEPUTY  
SIERRA SYSTEMS INC.

FORM APPROVED COUNTY COUNSEL  
BY: Neal R. Kipnis DATE 5/19/10

By: Shelley Hodgson Dated: 5-18-10  
Shelley Hodgson, Vice President and Regional Manager, US

## **EXHIBIT A**

### **AGREEMENT BETWEEN COUNTY OF RIVERSIDE AND SIERRA SYSTEMS INC. Specialized Transition Engineering and Implementation Consulting Services To Support New Property Tax System Development**

#### **DESCRIPTION OF QUALIFICATIONS, SERVICES AND PAYMENT**

##### **1. Requirements for Contractor Services**

CONTRACTOR services are specialized extensions of the services provided exclusively by CONTRACTOR through COUNTY Contract #PUARC-91821-001-007-06/09. Under that agreement, CONTRACTOR worked as the exclusive vendor with the COUNTY to produce certain artifacts for the COUNTY's Property Tax System. These artifacts detailed the As-Is Business Process Models, As-Is Data Models, To-Be Business Process Models, To-Be System Functional Specifications, To-Be Data Models, business plans, and a Request for Proposal for a new replacement Property Tax System. Based on these artifacts produced by CONTRACTOR and with CONTRACTOR's exclusive specialized knowledge and detailed Subject Matter Expertise, the new and additional services shall include, but are not limited to:

- Accelerate knowledge transfer and transition CONTRACTOR Subject Matter Expertise of requirement details and process designs as created by CONTRACTOR to COUNTY personnel, developers, and other parties through consultation, explanation, training, and other support based on CREST Project needs.
- Add, adjust or otherwise incorporate changes to existing requirements created by CONTRACTOR as determined by the COUNTY property tax departments.
- Refine and support the CREST Request for Proposal (RFP) and addenda as created by CONTRACTOR as a Subject Matter Expert including
  - Modifications
  - Vendor meetings, Question and Answer, evaluation support
- Support CREST data initiatives based on the logical data model and data definitions created by CONTRACTOR including but not limited to data migration, replication, consolidation, warehousing.
- Assist, guide, and review future CREST Property Tax Management System implementation, architecture, and design details based on CONTRACTOR's specific knowledge and Subject Matter Expertise.
- Test, verification, and validation of future software provided by other parties based on requirements and process designs created by CONTRACTOR.
- Support CREST Project implementation details associated with a Computer Assisted Mass Appraisal (CAMA) system to be integrated with CREST system software provided by other parties based on requirements and process designs created by CONTRACTOR.
- Other implementation consultant activities for the CREST Project at COUNTY discretion

CONTRACTOR shall assign specific System Consultants who have uniquely specialized technical and business knowledge and Subject Matter Expertise for COUNTY property tax systems subject to their specific research and development of COUNTY property tax systems To-Be Process Models, Requirements, Data Models, and other design artifacts of the proposed CREST Property Tax Management System.

## EXHIBIT A

### AGREEMENT BETWEEN COUNTY OF RIVERSIDE AND SIERRA SYSTEMS INC. Specialized Transition Engineering and Implementation Consulting Services To Support New Property Tax System Development

CONTRACTOR shall accomplish the work in compliance with departmental system procedures, standards, goals, objectives, timelines, and other guidelines of the CREST Project.

CONTRACTOR work tasks shall be performed onsite at CREST Project facilities unless otherwise approved in advance by the CREST Project Manager.

CONTRACTOR work tasks shall be assigned and monitored by the CREST Project Manager.

#### 2. Performance Targets

CONTRACTOR's personnel shall meet performance targets defined by the COUNTY department, and these shall be used by COUNTY to monitor and evaluate CONTRACTOR's performance. CONTRACTOR shall replace personnel if performance targets are not met.

#### 3. Payment; Personnel Assigned

CONTRACTOR shall invoice COUNTY on a monthly basis for services rendered for the CREST Project. Invoices shall be directed to the attention of the CREST Project Manager. COUNTY shall make payment to CONTRACTOR on a NET 30 basis following receipt of such invoices at COUNTY accounting services for the CREST Project. Invoices shall be substantiated with itemized expense receipts and weekly timesheets signed by CONTRACTOR personnel as submitted in advance to the CREST Project Manager at the end of each work week.

It is mutually agreed that the intent of this contract is to maintain the services of the personnel identified below for the term of this agreement. The COUNTY reserves the sole right to accept or reject any additional or substitute personnel assigned to this contract.

#### **Payment will be based upon the following rates:**

| <u>System Consultant</u> | <u>Billing Rate</u> | <u>Projected Start Date</u> | <u>Services</u>                           |
|--------------------------|---------------------|-----------------------------|---|
| Tom Babington            | \$ 140.00/hr        | June 14, 2010               | Technical and Business Systems Consultant |
| Tina Edwards             | \$ 135.00/hr        | on-call                     | Technical and Business Systems Consultant |
| Wayne Chen               | \$ 165.00/hr        | on-call                     | Technical and Business Systems Consultant |

The Billing Rate for Tom Babington includes all expenses.

For Tina Edwards and Wayne Chen, the following conditions apply:

- Travel expenses at actual cost may be added to the respective Billing Rate, subject to pre-approval by the CREST Project manager and in compliance with COUNTY travel reimbursement policies.
- The minimum engagement of on-site on-call support will be in blocks of 16 hours
- On-call phone support will be provided in 2 hour increments
- Email correspondence and responses are at no cost