

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

972



FROM: Larry W. Ward, Assessor-County Clerk-Recorder
Don Kent, Treasurer-Tax Collector
Paul Angulo, Auditor-Controller

SUBMITTAL DATE:
May 17, 2012

SUBJECT: Sole Source Computer Maintenance Services to Support the Property Tax System

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve and execute the Second Amendment to the Agreement for Professional Services with Computer Ideas, Inc. from July 1, 2012 to June 30, 2013, at a cost not to exceed \$1,874,600 annually.
- 2) Authorize the Purchasing Agent to execute administrative amendments and exercise the option to renew the agreement for 2 additional one-year periods, not to exceed the annual amount on behalf of the County. The amounts shall be the same and shall not increase for each department through June 30, 2015.

BACKGROUND: The Property Tax System is an integrated system for the Assessor-County Clerk-Recorder, Auditor-Controller and Treasurer-Tax Collector offices. Changes on one area of the system can impact the overall operation of all three departments. Modifications and enhancements are needed constantly to stay current with changing business needs and to maintain the system. As a result, the consulting, programming and analysis staff need to have a high level of expertise within the Property Tax System.

(Continued on Page 2)

[Signatures]

 Larry W. Ward Don Kent Paul Angulo
 Assessor-County Clerk-Recorder Treasurer-Tax Collector Auditor-Controller

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,874,600	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

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

C.E.O. RECOMMENDATION: APPROVE
 BY: *[Signature]*
 Karen L. Johnson
 County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: June 5, 2012
 xc: ACR, Treasurer, Auditor, Purchasing

Kecia Harper-Ihem
 Clerk of the Board
 By: *[Signature]*
 Deputy

Prev. Agn. Ref.: Dec. 9, 2008; #3.13 District: ALL Agenda Number: 3.10

KEVIN CRAWFORD, DATE 2/24/12 FORM APPROVED COUNTY COUNSEL
 PURCHASING: *[Signature]* BY: NEAL R. KIPNIS DATE *[Signature]*
 RCIT: *[Signature]* Departmental Concurrence
 Mark Seiler, Assistant Director

Policy Policy
 Consent Consent
 Dep't Recomm.: Per Exec. Ofc.:

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BACKGROUND: (Continued)

The system is over thirty years old, and the mainframe architecture is considered outdated. Moreover, the system architecture consists of complex and custom programming. As a result, knowledgeable technicians of mainframe technology are rare, let alone those with familiarity with this particular system.

The County of Riverside Enterprise Solution for Property Tax (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.

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. 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.

FINANCIAL DATA:

The total contract amount through June 30, 2013 is not to exceed \$1,874,600 annually.

- 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

The increase from Amendment No. 1 (\$1,054,100) to this Amendment (\$1,874,600) is the addition of four additional contract staff for the CREST Data Warehouse project. This project provides for the conversion/transfer of mainframe records to the new system.

**SECOND AMENDMENT TO AGREEMENT
FOR PROFESSIONAL SERVICES
COMPUTER IDEAS, INC.**

That certain Agreement between the COUNTY OF RIVERSIDE ("County") and COMPUTER IDEAS INC. (hereinafter "Contractor"), entered into on June 6, 2006, Agenda Item No. 3.68 and then amended on December 9, 2008, Agenda Item No. 3.13, is hereby amended as follows:

Amend Paragraph 3. To read as follows:

"3. TIME FOR PERFORMANCE – Contractor shall provide the services specified in Exhibit "A" during the period of July 1, 2012, through June 30, 2013, and may continue thereafter annually on a fiscal year basis (July 1 through June 30) for each succeeding year through June 30, 2015, unless terminated earlier in accordance with the termination provisions of the original agreement. Annual renewals following the initial one year term shall be confirmed in an amendment signed by County's Purchasing Agent."

Amend Paragraph 4. To read as follows:

"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 the Contractor) shall be set forth in Exhibit "A". For the period of July 1, 2012 through June 30, 2013, this shall be a total annual payment not to exceed \$350,200 for work provided to the Assessor – County Clerk – Recorder, a total annual payment not to exceed \$360,500 for work provided to the Treasurer – Tax Collector, a total annual payment not to exceed \$175,100 for work provided to the Auditor - Controller, a total annual payment not to exceed \$988,800 for work provided to the County of Riverside Enterprise Solution for Property Tax (CREST). The amounts shall be the same and shall not increase for each department through June 30, 2015, unless there is a written amendment signed by the parties and approved by the Board of Supervisors."

Amend Exhibit "A" in its entirety by replacing it with the new Exhibit "A" attached hereto and incorporated herein by this reference.

All other terms and conditions of the Agreement shall remain in full force and effect.

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

DATED: 05-14-2012

Computer Ideas, Inc.

By: Steven R. King

Title: PRESIDENT

ATTEST:
Kecia Harper-Ihem

By: April Ekler
Deputy

County of Riverside

By: John F. Tavaglione
Chairman, Board of Supervisors

FORM APPROVED COUNTY COUNSEL

BY: Neal R. Kipnis DATE 5/22/12

EXHIBIT A

AGREEMENT BETWEEN COUNTY OF RIVERSIDE AND COMPUTER IDEAS, INC. Property System Production Maintenance, Support, Program Modifications and Enhancements

DESCRIPTION OF QUALIFICATIONS, SERVICES AND PAYMENT

Requirements for Contractor Services

CONTRACTOR shall assign to this project only Programmer Analysts who meet the required qualifications. COUNTY can reject a Programmer Analyst provided by CONTRACTOR who COUNTY believes is not properly qualified to do the work.

CONTRACTOR Senior Programmer Analysts assigned to this project must have the following qualifications: expertise in programming and analysis in computer systems using COBOL, JCL, TSO, and IMS database and data communications; at least five years of work experience with successful mainframe property tax system support, modifications, and enhancement projects

All CONTRACTOR Programmer Analysts assigned to this project shall have expertise in the following: developing, modifying, and testing mainframe programs and system interrelations; producing the essential project documents such as project requirement documents, program specifications, test plans, user documentation, system documentation, and other documents; and tasks related to the modifications and enhancements of the computer information systems along with positive feedback from the customers they support.

CONTRACTOR shall accomplish the work in compliance with departmental system procedures, standards, and goals and objectives of the Assessor-County Clerk-Recorder, the Auditor-Controller, the Treasurer-Tax Collector and the County of Riverside Enterprise Solution for Property Tax (CREST) team.

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.

Payment

CONTRACTOR will invoice COUNTY on a bi-weekly basis for services rendered for the Assessor – County Clerk - Recorder. Invoices should be directed to the attention of Accounts Payable at the COUNTY Assessor-County Clerk-Recorder's Office. COUNTY will then make payment to CONTRACTOR on a bi-weekly basis following receipt of such invoices.

CONTRACTOR will invoice COUNTY on a bi-weekly basis for services rendered for the

Treasurer – Tax Collector. Invoices should be directed to the attention of Accounts Payable at the COUNTY Treasurer – Tax Collector’s Office. COUNTY will then make payment to CONTRACTOR on a bi-weekly basis following receipt of such invoices.

CONTRACTOR will invoice COUNTY on a bi-weekly basis for services rendered for the Auditor - Controller. Invoices should be directed to the attention of Connie Bowen, at the COUNTY Auditor – Controller’s Office. COUNTY will then make payment to CONTRACTOR on a bi-weekly basis following receipt of such invoices.

CONTRACTOR will invoice COUNTY on a bi-weekly basis for services rendered for the CREST. Invoices should be directed to the attention of Accounts Payable at the COUNTY Assessor-County Clerk-Recorder’s Office. COUNTY will then make payment to CONTRACTOR on a bi-weekly basis following receipt of such invoices.

Payment not to exceed the following hourly rates:

<u>Specialist Classification</u>	<u>Billing Rate</u>
Programmer Analyst	\$ 75.00/hr.
Senior Programmer Analyst	\$ 90.00/hr.

Contractor Services

Total annual hours for CONTRACTOR Programmer Analysts services of Property Tax Production Maintenance and Support to COUNTY not to exceed:

<u>Hours</u>	<u>Description</u>
4,120	Consulting, analysis, programming and production support of Assessor’s Property Tax System.
4,120	Consulting, analysis, programming and production support of Treasurer – Tax Collector’s Property Tax System.
2,060	Consulting, analysis, programming and production support of Auditor – Controller’s Property Tax System.
12,360	Consulting, analysis, programming and production support of CREST project.



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
www.riversidetaxinfo.com

Date: May 17, 2012

From: Larry Ward **Department/Agency:** Assessor-County Clerk-Recorder
David Montgomery (James Moore)

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for Services Contract 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 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 system were originally developed by Computer Ideas, Inc. specifically for the County and is 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 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 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 database 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.



LARRY W. WARD
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- 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.
- 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 annually. The amounts shall be the same and shall not increase for each department through June 30, 2015. 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, 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.

Larry Ward
Department Head Signature

5-17-2012
Date

Purchasing Department Comments:

*Through 6-30-2015 or until CRST Project is completed
and the TAX system is migrated, whichever occurs first*

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ 1,874,600
through 6-30-2015

↑ One time Annual Amount

M. R. De -
Purchasing Agent

5-21-12
Date

12-543
Approval Number
(Reference on Purchasing Documents)