

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

935



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

SUBMITTAL DATE:
June 1, 2016

SUBJECT: Approve Amendment No 4 to the Agreement for Computer Maintenance Services and Support for the Property Tax System with Computer Ideas Inc. without pursuing competitive bids for one (1) year. Districts: All. [Total Cost: \$1,874,600]; Department Budgets (47.5%) and CREST Capital Project Fund (52.5%)

RECOMMENDED MOTION: that the Board of Supervisors:

1. Approve and execute the Amendment No. 4. for Computer Maintenance Services and Support for the Property Tax System with Computer Ideas Inc. without seeking competitive bids for \$1,874,600 for the period of July 1, 2016 to June 30, 2017.

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
Peter Aldana
Assessor-County Clerk-Recorder

Don Kent
Don Kent
Treasurer-Tax Collector

Frankie Ezzat
Frankie Ezzat for 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 Budgets and CREST Capital Project Fund	Budget Adjustment: No
APPROVE	For Fiscal Year: 16/17

C.E.O. RECOMMENDATION:

County Executive Office Signature BY: *Samuel Wong*
Samuel Wong

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: June 21, 2016
xc: ACR, Treasurer, Auditor

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

Prev. Agn. Ref.: June 6, 2006; #3.68;
December 9, 2008; #3.13; June, 5, 2012; #3.10
May 19, 2015; #3-5

District: All Agenda Number:

3-13

RCIT: Steve Reneker, CIO
 PURCHASING & FLEET SERVICES
 Lisa Brandl, Director
 Departmental Concurrence
 ANITA C. WILLIS
 DATE 6-8-16

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

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

FORM 11: Approve Amendment No 4 to the Agreement for Computer Maintenance Services and Support for the Property Tax System with Computer Ideas Inc. without pursuing competitive bids for one (1) year. Districts: All. [Total Cost: \$1,874,600]; Department Budgets (47.5%) and CREST Capital Project Fund (52.5%)

DATE: June 1, 2016

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

The County's 42-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.

Impact on Citizens and Businesses

The new Property Tax System will replace the County's current 42 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

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 June 1, 2016.

Professional Service Agreement – BOS approved contract from 7/1/2006 to 6/30/2009

Amendment No. 1 – BOS approved contract extension from 7/1/09 to 6/30/12

Amendment No. 2 – BOS approved contract extension from 7/1/12 to 6/30/15

Amendment No. 3 – BOS approved contract extension from 7/1/15 to 6/30/15

Enclosures:

Amendment No. 4 to the Agreement with Computer Ideas, Inc.
Justification for Sole source Procurement



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

PR2016-04226
Tracking Number for
Internal Use Only

5/26

REQUESTED PURCHASE:	COMPUTER IDEAS, INC FOR 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. To extend the original agreement from 7/1/2016 to 6/30/2017.</p> <p>Fourth Amendment to the Agreement for Professional 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 extraction.</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	BUSINESS IMPACT (SELECT ALL THAT APPLY)		
<input checked="" type="checkbox"/> Run the business	<input checked="" type="checkbox"/> Support current operations		
<input type="checkbox"/> Grow the business	<input type="checkbox"/> Reduce Expenses		
<input type="checkbox"/> Transform the business	<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 42-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: \$	<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
		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																										
Software: \$																													
Labor: \$																													
Total Cost: \$1,874,600*																													
Is this Budgeted?																													
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	*This request will be submitted for Board approval on June 21, 2016.																												

Department Head Signature: *David Montgomery* Date: 5-25-16

RCIT RECOMMENDATION – for purchases and renewals under \$100,000

Recommended: Yes No (Non-recommended requests submit to TSOC)

By: _____ Date: _____

Chief Information Officer Signature: *[Signature]* Date: 5/21/16

RCIT explanation for non-recommended requests:

TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals

Recommended: Yes No (In no, provide explanation below)

TSOC Chair Signature: *[Signature]* Date: 6/1/16

TSOC explanation for denied requests:



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

Date: 05/17/2016
From: Peter Aldana
Assessor-County Clerk-Recorder (ACR)
To: Board of Supervisors/Purchasing Agent
Via: James Moore (951) 486-7485 / Kan Wang (951) 955-0350
Subject: Sole Source Procurement; Request for Computer Maintenance Services and Support for the Property Tax System

The below information is provided in support of my Department requesting approval for a single 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. Supplier being requested:** Computer Ideas, Inc.
- 2. Vendor ID:** 04017
- 3. 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.
- 4. Alternative suppliers that can or might be able to provide supply/service and extent of market search conducted:** 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.
- 5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide (if proprietary software or machinery, hardware, please provide a supporting letter from the manufacturer):** 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 12 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.



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

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. Period of Performance: From: 07/01/2016 to 06/30/2017 - The period of performance is for one year.

Is this an annually renewable contract? No Yes
Is this a fixed-term agreement: No Yes

(A fixed-term agreement is set for a specific amount of time; it is not renewed annually. Ensure fixed-term agreements include a cancellation, non-appropriation of funds, or refund clause. If there is no clause(s) to that effect, than the agreement must be submitted to the Board for approval.)

8. Identify all costs for this requested purchase. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained. (Note: ongoing costs may include but are not limited to subscriptions, licenses, maintenance, support, etc.) Provide support services for the Property Tax System as required to perform data base administration, software maintenance and operations.

The total contract amount through June 30, 2017 is not to exceed \$1,874,600. Cost is split between the following departments:	FY16 -17
Assessor-County Clerk-Recorder	\$350,200
Treasurer-Tax Collector	\$360,500
Auditor-Controller	\$175,100
CREST	\$988,800

9. Price Reasonableness: *(Explain why this price is reasonable or cost effective, and if this service/commodity will be bid out in the future.)* 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, 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.



**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

10. Projected Board of Supervisor Date (if applicable): June 21, 2016
(Form 11s must accompany the sole source request for Purchasing Agent approval.)

<u>Peter Aldana</u>	<u>Peter Aldana</u>	<u>6/8/16</u>
Department Head Signature (or designee)	Print Name	Date

Purchasing Department Comments:

<u>Approve</u>	Approve with Condition/s	Disapprove
Not to exceed: \$ <u>1,874,600</u>	<u>One time</u>	Annual Amount through <u>6/30/2017</u> (Date)
<u>Les Brandl</u>	<u>6/9/16</u>	<u>17-003</u>
Purchasing Agent	Date	Approval Number (Reference on Purchasing Documents)

List Attachments:

- Resume
- Proposal

COUNTY OF RIVERSIDE
AMENDMENT NO. 4 TO THE AGREEMENT
WITH
COMPUTER IDEAS, INC,

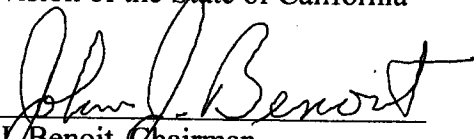
Original Contract Term:	July 1, 2006 through June 30, 2007
Contract Term Extended To:	July 1, 2016 through June 30, 2017
Effective Date of Amendment:	June 21, 2016
Original Annual Maximum Contract Amount:	\$1,874,600.00
Amended Annual Maximum Contract Amount:	\$1,874,600.00
Contract ID: ITARC-9200-001-06/15	

The Agreement between County of Riverside (COUNTY) and I Computer Ideas, Inc. (CONTRACTOR), entered into as of July 1, 2006, 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 of Performance from expiration of June 30, 2007 to a Period of Performance of July 1, 2016 through June 30, 2017, 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 not modified herein shall remain unchanged.

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

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

By: 
John J. Benoit, Chairman
Board of Supervisors
Dated: JUN 21 2016

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

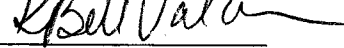
By: 
Name: Steven King
Title: President and Treasurer
Dated: 06-13-2016

ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: 
For Marsha Victor, by Kristine Bell-Valdez
Principal Deputy County Counsel

BOS Agenda # 3-5 & Date 5/19/2015 Amendment #3 ; BOS Agenda # 3.10 & Date 6/5/2012 Amendment #2; BOS
Agenda # 3.13 & Date 12/9/2008 Amendment #1;
BOS Agenda # 3.68 & Date 6/6/2006 Professional Services Contract

COUNTY OF RIVERSIDE
Assessor-County Clerk-Recorder
PO Box 751
Riverside, CA 92502
(951) 486-7485