

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



ITEM
3.9
(ID # 4496)

MEETING DATE:

Tuesday, June 20, 2017

FROM : ASSESSOR-COUNTY-CLERK-RECORDER AND TREASURER-TAX COLLECTOR
AND AUDITOR-CONTROLLER :

SUBJECT: ASSESSOR-COUNTY CLERK-RECORDER: Approve Amendment No. 5 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, with an option to renew the agreement for one additional one-year period, Districts: All. [Total Cost: \$1,919,400 - Department Budgets (38%) and CREST Capital Project Fund (62%)]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the Amendment No. 5 for Computer Maintenance Services and Support for the Property Tax System with Computer Ideas Inc. without seeking competitive bids for a total annual amount not to exceed \$959,700, for the period of July 1, 2017 to June 30, 2018, with an option to renew the agreement for one additional one-year period; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise the renewal option based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates, as approved by County Counsel.

ACTION: Policy


Peter Aldana, Assessor-County-Clerk Recorder 5/30/2017

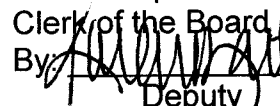

Paul Angulo, Director of Auditor Controller 5/30/2017


Don Kent, Treasurer-Tax Collector 5/30/2017

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: June 20, 2017
xc: ACR, Treasurer, Auditor, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST		\$ 959,700	\$ 1,919,400	\$ 959,700
NET COUNTY COST				
SOURCE OF FUNDS: Departmental Budgets and CREST Capital Project Fund			Budget Adjustment:	No
			For Fiscal Year:	2017/18

C.E.O. RECOMMENDATION: APPROVE

BACKGROUND:

Summary

On June 21, 2016 the Board of Supervisors (Board) approved an amendment to the agreement between the County and Computer Ideas in the amount of \$1,874,600 to support the County's current mission-critical Property Tax System, ensuring continuity of services and system up-time necessary for the County's main revenue source, as well as provide necessary technical support required for transition to the new property tax system under development. Amendment No. 5 for Computer Ideas will reduce the agreement by \$914,900 to a revised amount of \$959,700. This decrease is due to a reduction in requested service hours.

The County of Riverside continues to advance in its commitment to reengineer 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.

The County's 43-year old Property Tax System built on 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 those with familiarity of Riverside County's version of the property tax system. 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 and testing.

Impact on Residents and Businesses

The new Property Tax System will replace the County's current 43-year old legacy mainframe system and will optimize the County's revenue generation operations and help protect the

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

County's fiscal stability. The new system will remove manual processes, minimize costly errors and eliminate inefficiencies by automating operations. It 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 efficiently and effectively.

SUPPLEMENTAL:

Additional Fiscal Information

The total contract amount through June 30, 2018 is not to exceed \$959,700.

Description:	FY 17-18	FY 18-19	Total
Computer Services & Support			
Ongoing Cost: Assessor-County Clerk-Recorder	\$176,800	\$176,800	\$ 353,600
Treasurer-Tax Collector	\$187,200	\$187,200	\$ 374,400
CREST	\$595,700	\$595,700	\$1,191,400
Total Costs	\$959,700	\$959,700	\$1,919,400

- Assessor-County Clerk-Recorder not to exceed \$176,800 per year
- Treasurer-Tax Collector not to exceed \$187,200 per year
- CREST not to exceed \$595,700 per year

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. Pricing charged by Computer Ideas ranges from \$55 to \$99 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 has 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 7, 2017.

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

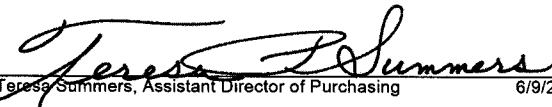
Amendment No. 3 – BOS approved contract extension from 7/1/15 to 6/30/16

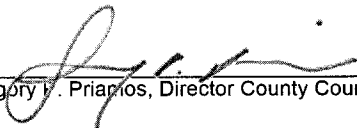
Amendment No. 4 – BOS approved contract extension from 7/1/16 to 6/30/17

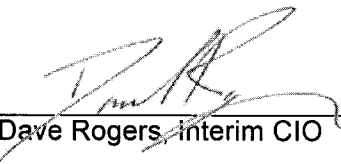
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ATTACHMENTS:

Amendment No 5. To the Agreement with Computer Ideas, Inc.
RCIT H-11
Sole Source Justification


Teresa Summers, Assistant Director of Purchasing 6/9/2017


Gregory V. Priamos, Director County Counsel 6/9/2017


Dave Rogers, interim CIO 6/9/2017

COUNTY OF RIVERSIDE
AMENDMENT NO. 5 TO THE AGREEMENT
WITH
COMPUTER IDEAS, INC.

Original Contract Term: July 1, 2016 through June 30, 2017
Contract Term Extended To: July 1, 2017 through June 30, 2018
Effective Date of Amendment: July 1, 2017
Original Annual Maximum Contract Amount: \$ 1,874,600.00
Amended Annual Maximum Contract Amount: \$ 959,700.00
Contract ID: ASARC-92000-001-06/15

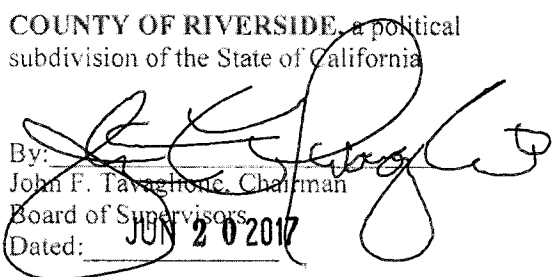
The Agreement between County of Riverside (COUNTY) and Computer Ideas, Inc. (CONTRACTOR), entered into as of July 1, 2006, is amended as follows:

1. Section 3 (Time for Performance) is amended as follows: all reference to the Time for Performance from expiration of June 30, 2017 to a Period of Performance of July 1, 2017 through June 30, 2018, with an option to renew the agreement for one additional one-year period through June 30, 2019, unless terminated as specified in Section 9 TERMINATION. All other terms of the Period of Performance in the Agreement shall apply.

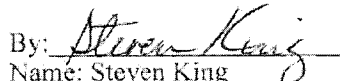
2. All other terms and conditions of the Agreement not modified herein shall remain unchanged.

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 F. Tavanone, Chairman
Board of Supervisors
Dated: JUN 20 2017

COMPUTER IDEAS, INC.
6 Sparta
Irvine, CA 92614

By: 
Name: Steven King
Title: President and Treasurer
Dated: 06-05-2017

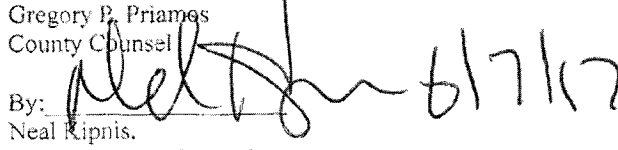
ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By: 
Neal Ripnis,
Deputy County Counsel

BOS Agenda # 3.11 & Date 09/27/2005; BOS Agenda # 3.13 & Date 12/09/2008; BOS Agenda # 3.10 & Date 06/05/2012;
BOS Agenda # 3.05 & Date 05/19/2012; BOS Agenda # 3.13 & Date 06/21/2016

Form #116-311 Revision Date: 01/13/2016

COUNTY OF RIVERSIDE
Assessor-County Clerk-Recorder
PO Box 751
Riverside, CA 92502-0751
(951)486-7452

JUN 20 2017 3.9



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM

H11 Number:	PR2017-05620		
Requested Purchase:	Prof Svcs with Computer Ideas to include Property Applications Dev. & Bus. Sys. Analyst Svcs		
Department/Agency:	Assessor-County Clerk-Recorder		
Primary Contact/Phone:	Anna Alivio	Alternate Contact/Phone:	ACR Contract Manage ACR/
Purchase Request Type:			
Describe Requested Purchase:	<p>To renew 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 7/1/2017 to 6/30/2018 with the option to renew for an additional year.</p> <p>Amendment No. 5 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 Controller's integrated Property Tax System. Services will also be used by the County of Riverside Enterprise Solution for Property Tax (CREST) project for data extraction.</p>		

Terms:	<p>Is this a Multi Year Contract?: False</p> <p>Length of Contract: 1</p> <p>Start Date: 7/1/2017</p> <p>End Date: 6/30/2018 12:00:00 AM</p> <p>Special Tems and Conditions: Financial: There would be a large financial risk without the Professional Service for maintenance services and support in place. County of Riverside continues to advance in its commitment to reengineer and replace its mission-critical property tax administration mainframe system.</p> <p>Operational: The County's 43-year old Property Tax system built on 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 mainframe issues result 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>
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Business Needs Addressed:	Computer Ideas, Inc. participated as part of the original mainframe Property System design and development team; has specific knowledge of Riverside County Property System; has supported the Treasurer-Tax Collector and Assessor-County Clerk-Recorder system for over 10 years, and retains proprietary information vital to the upkeep and operations of the system. Computer Ideas, Inc. 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 hierarchal databases and knowledge of DL/I Application programming for the Riverside County Property System.
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Are there other county systems that provide the same functionality?	No
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Business Criticality:	Run the Business
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Business Impact:	Support Current Operations, Reduce Expenses, Improve Customer Service, Improve Operational Efficiencies
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Current Cost Itemization (Include all the year 1 cost)

Item Description	Purchase Type	Vendor	Quantity	Unit Cost	Sub_Total	Item Tax	Total Cost
Prof Svcs with Computer ideas to include Property Applications Dev. & Bus. Sys. Analyst Svcs	Services/Consulting - Renewal	Vendor 1	1	\$959,700.00	\$959,700.00		\$959,700.00

Annual Costs

Item Description	Payment Type	Terms (In Years)	Payment amount	Total Annual Payments
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RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM

Accounting String

To be completed for pass-thru purchases that will be processed by RCIT Only

%Billed	Accounts (6 digits)	Dept.ID (6 -10 digits)	Program (5 digits)	Class (5 digits)	Grant (9 digits)	Customer Project Code (10 digits)
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Department Head Signature: Kan Wang (or Authorized designee)	Date: 5/24/2017 3:41 PM
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RCIT Review (Standard purchases and renewals < \$25000) - Administrative Review Status

Recommended:	By:	Date:
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Denial Explanation:

ACIO Review (Non standard purchases and renewals between \$0K and \$100K) - ACIO Review Status

Recommended: <i>Yes</i>	By: <i>A. J. [Signature]</i>	Date: <i>5/25/2017</i>
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Denial Explanation:

CIO Review (Purchases and renewals >\$100K) CIO Review Status

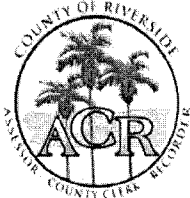
Recommended: <i>yes</i>	By: <i>[Signature]</i>	Date: <i>5-26-17</i>
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Denial Explanation:

TSOC Review (Purchases and renewals >\$100K) TSOC Review Status

Recommended: <i>yes</i>	By: <i>[Signature]</i>	Date: <i>6/8/17</i>
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Denial Explanation:



PETER ALDANA
Assessor-County Clerk-Recorder

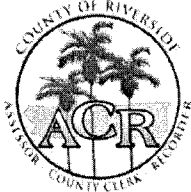
COUNTY OF RIVERSIDE
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DAVID MONTGOMERY
ASSISTANT
Valuation Division
BOBBI SCHUTTE
ASSISTANT
County Clerk-Recorder Division
KAN WANG
ASSISTANT
Administration

Date: 05/24/2017
From: Peter Aldana
Assessor-County Clerk-Recorder (ACR)
To: Board of Supervisors/Purchasing Agent
Via: Kan Wang (951) 955-0350 / Anna Alivio (951) 486-7452
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) project 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 Riverside County Property System; has supported the Treasurer-Tax Collector and Assessor-County Clerk-Recorder system for over 10 years, and retains proprietary information vital to the upkeep and operations of the system. Computer Ideas, Inc. 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 hierarchal databases and knowledge of DL/I Application programming for the Riverside County Property System.



PETER ALDANA
Assessor-County Clerk-Recorder

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DAVID MONTGOMERY
ASSISTANT
Valuation Division

BOBBI SCHUTTE
ASSISTANT
County Clerk-Recorder Division

KAN WANG
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: 07/01/2017 to 06/30/2018 - The period of performance is for one year with the option to renew for an additional year.

Is this an annually renewable contract? No Yes

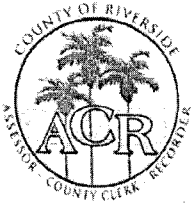
Is this a fixed-term agreement: No Yes

(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 database administration, software maintenance and operations.

The total contract amount through June 30, 2018 is not to exceed \$959,700.00. Cost is split between the following departments:	FY17 -18	FY18 -19
Assessor-County Clerk-Recorder	\$176,800	\$176,800
Treasurer-Tax Collector	\$187,200	\$187,200
CREST	\$595,700	\$595,700
TOTAL	\$959,700	\$959,700

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 \$959,700 annually. The amounts shall be the same and shall not increase for each department through June 30, 2018. 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.

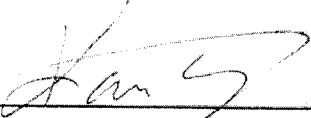


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PETER ALDANA
 Assessor-County Clerk-Recorder

10. Projected Board of Supervisor Date (if applicable): June 20, 2017
 (Form 11s must accompany the sole source request for Purchasing Agent approval.)

	Kan Wang	5/24/17
Department Head Signature (or designee)	Print Name	Date

Purchasing Department Comments:

<input checked="" type="radio"/> Approve	<input type="radio"/> Approve with Condition/s	<input type="radio"/> Disapprove
Not to exceed: \$ <u>959,700.00</u>	One time	Annual Amount through <u>June 30, 2019</u> (Date)

	6/19/17	18-005
Purchasing Agent	Date	Approval Number (Reference on Purchasing Documents)