

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Jim Boggan, Purchasing Manager *JB*
DATE: June 24, 2008
SUBJECT: Approve the Award of a Sole-Source Blanket Purchase Order to Columbia Ultimate Business Systems for Annual Software License Fees, Support and Related Services for the Revenue Services Management System in the Maximum Amount of \$200,000.00

RECOMMENDATION

Approve the award of a sole-source blanket purchase order to Columbia Ultimate Business Systems (CUBS) for software license fees, support and related services for the Revenue Services management system in the maximum amount of \$200,000.00 and authorize the Purchasing Manager to sign the resulting documents.

BACKGROUND

For the past several years, the Administrative Services Department's Revenue Services Division has utilized a database and information management system to manage their collections operations. The system was designed and provided by Columbia Ultimate Business Systems (CUBS). Software license fees and software support fees must be paid to CUBS each year for maintenance, use and support of the system. Revenue Services usually budgets an additional amount over the basic cost of maintenance to accommodate occasional programming changes that improve functionality specific to Placer County. The division also uses the vendor's services for mailing monthly statements, new account letters, reminder notices, etc. Research has revealed that it is more cost-effective and efficient to utilize this vendor for these mailing services than other contractors due to the ability to transmit data electronically between the County's database and the vendor's mailing system.

The current blanket purchase order with CUBS will expire June 30, 2008. CUBS has provided a quote for software licensing, maintenance, and support for the next one-year period in the amount of \$47,194.29, including sales tax. Revenue Services anticipates additional, custom programming costs will be \$20,000.00 per year, and mailing costs will be approximately \$120,000.00. Therefore the department has requested that the blanket purchase order be issued in the maximum amount of \$200,000.00. This amount also provides a small allowance for potential increases in programming and/or mailing costs that may occur due to increased activity. The BPO will be effective July 1, 2008 through June 30, 2009.

Section 1.3(i) of the Purchasing Policy Manual exempts software maintenance from competitive bidding. Additionally, maintenance and updates for the CUBS system are not available from other vendors.

FISCAL IMPACT

See the attached Fiscal Impact Statement from Administrative Services.

cc: Candi McCord, Deputy Director of Administrative Services
Sandy Conte, Revenue Services Manager

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FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors

FROM: Clark L. Moots, Director of Administrative Services



DATE: June 24, 2008

SUBJECT: **Fiscal Impact Statement**

Renewal of Blanket Purchase Order No. BPO14854 with Columbia Ultimate Business Systems for maintenance of the CUBS revenue collection system including license renewal, Annual Support, custom programming as required, modem charges and Immedia mailing services.

The Administrative Services Department's Revenue Services Division has sufficient funding to support this request.

The Department has budgeted appropriately for this Blanket Purchase Order renewal and funding is available in the Revenue Services Division's FY08/09 budget.