

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: Jim Boggan, Purchasing Manager *JB*
DATE: May 26, 2009
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 seven years, the Administrative Services Department's Revenue Services Division has managed their collections operations with a database and information management system developed 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 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 this vendor's services for mailing monthly statements, new account letters, reminder notices, etc. and streamlines the process by transmitting data electronically between the County's database and the vendor's mailing system.

The current blanket purchase order with CUBS will expire June 30, 2009. CUBS has provided a quote for software licensing, maintenance, and support for the next one-year period in the amount of \$49,649.08, including sales tax, representing a 4% increase over last year which mirrors the Producer Price Index. 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, 2009 through June 30, 2010.

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: May 26, 2009
SUBJECT: PO for Columbia Ultimate Business Systems

The Administrative Services Department / Revenue Services Division have budgeted appropriately for this purchase order and funding is available in the FY2009/10 department budget. This purchase order will provide for software licensing, maintenance/support and the cost of mailers.