

**MEMORANDUM**  
**COUNTY OF PLACER**  
**ADMINISTRATIVE SERVICES DEPARTMENT**  
**PROCUREMENT SERVICES DIVISION**

**TO:** Honorable Board of Supervisors  
**FROM:** Brett Wood, Purchasing Manager *BW*  
**DATE:** May 8, 2012  
**SUBJECT:** Approve the Renewal of a Sole Source Blanket Purchase Order with Megabyte Systems for Maintenance of the Property Tax System in the Amount of \$347,189.64

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**ACTION REQUESTED**

Approve the renewal of a sole source Blanket Purchase Order (BPO) with Megabyte Systems Inc. of Rocklin, CA, for the maintenance of the Property Tax System in the amount of \$347,189.64, and authorize the Purchasing Manager to sign the BPO and related contract documents.

**BACKGROUND**

Since July 1995 the County has contracted with Megabyte Systems to provide software maintenance for the Property Tax System application, database and server operating system. The contract also provides maintenance services for the server, and includes web access, the application license, application upgrades, and State of California mandated property tax changes within the application. This system is shared jointly by the Auditor, Assessor, and Tax Collector Departments to manage property taxes, billings, and payments.

The current agreement with Megabyte will expire June 30, 2012. The Administrative Services' IT Division is responsible for managing the Property Tax System, and has requested that the agreement be renewed for another one-year period. Megabyte has agreed to the one-year renewal and provided a maintenance rate for the renewal period in the total aggregate amount of \$347,189.64, which is approximately 3.5% higher than last year. This increase is commensurate with the increase in the Consumer Price Index for the same period.

Megabyte is the software licensor and the only vendor authorized to provide the necessary support for this system, meeting the definition of sole source in the Purchasing Policy Manual, Section 1.3(l). Section 1.3(i) of the Purchasing Policy Manual also exempts software and software support from competitive bidding.

**FISCAL IMPACT**

The new BPO with Megabyte Systems will be effective for the period July 1, 2012 through June 30, 2013. The department's Fiscal Impact Statement is attached.

Attachment: Administrative Services' Fiscal Impact Statement

cc: Jerry Gamez, Director of Administrative Services  
Kristen Spears, Assessor  
Kathy Martinis, Auditor-Controller  
Jenine Windeshausen, Treasurer-Tax Collector

MEMORANDUM

County of Placer  
Department of Administrative Services

TO: Honorable Board of Supervisors

DATE: May 8, 2012

FROM: Jerry Gamez, Director of Administrative Services

SUBJECT: Fiscal Impact Statement – Maintenance of the Megabyte Property Tax System.

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Sufficient funding has been budgeted in the amount of \$347,189.64 in the fiscal year 2012-2013 Administrative Services budget (11040) for the maintenance of the Megabyte Property Tax System.