

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors
FROM: David Seward, Purchasing Manager 
DATE: May 22, 2007
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 in the amount of \$200,000 for the Management of Collections Operations

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 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 electronically transmit data between the County's database and the vendor's mailing system.

The current blanket purchase order with CUBS will expire June 30, 2007. CUBS has provided a quote for software licensing, maintenance, and support for the next one-year period in the amount of \$40,592.53, including sales tax. Revenue Services typically anticipates programming costs to be \$20,000 per year, and mailing costs to be approximately \$120,000. The department has requested that the blanket purchase order be issued in the maximum amount of \$200,000.00 to accommodate these expenditures. This amount also provides an allowance for increases in programming and/or mailing costs due to unforeseen changes in their operations. The BPO will be effective July 1, 2007 through June 30, 2008.

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

FISCAL IMPACT

Revenue Services has budgeted appropriately for these expenses in Fiscal Year 2007-2008..

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

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