



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Treasurer-Tax Collector
Department No.: 065
For Agenda Of: August 2, 2011
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Harry E. Hagen, CPA, CPFO, Treasurer-Tax Collector
Director(s)
Contact Info: Rochelle Camozzi, Treasury Finance Chief

SUBJECT: Creditron Bid Waiver Request

County Counsel Concurrence

As to form: N/A

Other Concurrence: Purchasing

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

- a) Authorize the Purchasing Manager to issue a purchase order with Creditron for the purchase and implementation of two Remittance Processors in an amount not to exceed \$151,000 for Fiscal Year 2011-12 without a competitive bid. Creditron is not a local vendor.

Summary Text:

Approval of this request will enable the Treasurer-Tax Collector to purchase and implement two remittance processors. The Treasurer-Tax Collector evaluated various products, technologies and payment methods available for the purchase and implementation of new equipment and determined that Creditron is the only source capable of meeting our specific needs. The new equipment is a replacement for our current remittance processors purchased in 1992 and is recommended for existing software configuration. Creditron will help the Treasurer-Tax Collector build a migration strategy to a newer and more efficient solution, which will provide the most functionality, compatibility with current systems, and adaptability to future changes, for the best cost and shortest implementation timeline. It will enable the Treasurer-Tax Collector to continue highly efficient operations.

County Code Section 2-39 states that the Purchasing Agent is obliged to purchase all materials, supplies, furnishings and equipment by using a formal competitive bidding process, unless the Board of Supervisors has waived competition under a particular set of circumstances. Due to "limitations in source or supply" pursuant to County Code Section 2-39, the Treasurer-Tax Collector is requesting your Board waive the requirement for a competitive bid for the purchase of two remittance processors. The

County Purchasing Department recommends that bid waiver requests be made for each applicable fiscal year. This bid waiver request is for FY 2011-12.

Background: Remittance processors are necessary to process property tax & assessments (over \$700 million annually) and other revenues received by the Treasurer-Tax Collector. The current remittance processors were purchased in 1992 and were discontinued in 2003. They are currently beyond their useful lives and are no longer supported by the manufacturer. The Treasurer's office was notified that the maintenance vendor who supports the existing remittance processors will no longer offer or renew maintenance agreements due to the age of the equipment. The current maintenance agreement expires before the end of this fiscal year.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Funding for this bid waiver request and the related appropriations in an amount not to exceed \$151,000.00 comes from Treasury operations administrative charges. The new equipment purchase will result in reduced maintenance costs estimated at \$12,000 annually.

This action will not result in the need for any additional facilities. The new equipment will be housed in the existing Remittance Processing room in the Treasurer-Tax Collector's office. There are no staffing impacts as a result of this action.

Attachments

N/A

Special Instructions:

Please provide one copy of the minute order to Purchasing, Attn: Gloria Ness.

Authored by:

Rochelle Camozzi, Treasury Finance Chief 568-2158