MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: June 21, 2017

Department: Finance   Agenda Planning Date: 6/15/2017   Time required: 5

☐ Audio/Visual aids

Contact: Camber Schlag   Phone: x3944

Department Head Signature: *Jeff D White*

TITLE	Approval of a Sole Source Procurement for the renewal of Tyler Technologies, Inc. software application licenses for a one year term with an option to renew for one additional year.
Issue, Description & Background	The Marion County Assessor/Tax Office converted all assessment and taxation information and processes to a vendor solution, TSG (The Software Group), now known as Tyler Technologies, in 1997. This computer product serves as the "core" system for all data relating to ownership, lot size, sales activity, inventory on all improvements to land, special assessment information, and other related data. The Assessor's Office uses it to calculate all tax rates, urban renewal, joint values with other counties, and other functions at roll turn, that occur the last two weeks in September until the tax roll is certified. The IT Department and the Assessor's Office wish to continue contracting with this vendor until such time that this proprietary software application is replaced with a new product. Funding for proprietary license renewal is included in the IT Department's annual budgeting process for materials and services category. The software application licenses term is valid for one (1) year.
Financial Impacts:	Renewal of Tyler Technologies, Inc. software application licenses for a one (1) term through June 30, 2018 with an option to renew for an additional one (1) year at a cost of approximately $348,790 ($169,790 per year one (1) with 5% annual increases applied)
Impacts to Department & External Agencies	The County intends to utilize this software until decisions are made to replace this proprietary software application. It is necessary to keep the software current during its continued use to calculate all tax rates, urban renewal, joint values with other counties, and other functions at roll turn, that occur the last two weeks in September until the tax roll is certified. All employees within the Assessor/Tax Office rely on this program to assist them in performing their essential job duties.
Options for Consideration:	Options for consideration are: 1. Approve the sole source procurement based on the justification and findings attached and grant an exemption for a Sole Source Procurement for annual license and maintenance for this software; 2. Deny the request and require the department to issue a new solicitation document for find a replacement software to provide a needed assessment and taxation information tool for the Assessor/Tax Office.
Recommendation:	It is the Information Technology Department and Assessor's Office recommendation that the Board approve the request for a Sole Source Procurement for annual software license and support fees for Tyler Technologies software.
List of attachments:	Board Order

MARION COUNTY BOARD OF COMMISSIONERS

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Presenter:

Findings for Exemption
~~ORPIN Public Notice~~

Camber Schlag

Copies of completed paperwork sent to the following: (Include names and e-mail addresses.)

Copies to:

Camber Schlag - cschlag@co.marion.or.us

BEFORE THE BOARD OF COMMISSIONERS

FOR MARION COUNTY, OREGON

In the Matter of approving a sole source)
procurement for renewal of assessment and)
taxation software from TSG, as allowed by)
section 20-0275 Of the Marion County)
Public Contracting Rules)

ORDER No. _____

This matter came before the Marion County Board of Commissioners, acting as the Marion County Contract Review Board, at its regularly scheduled public meeting on June 21, 2017.

WHEREAS, Marion County, by and through its Department of Information Technology entered into a contract with TSG (The Software Group), now known as Tyler Technologies, Inc. in 1997 for all data relating to ownership, lot size, sales activity, inventory on all improvements to land, special assessment information, and other related data; and

WHEREAS the original contract was awarded based on a Request for Proposal process according to the Marion County Public Contracting Rules. The County continues to utilize the software to calculate all tax rates, urban renewal, joint values with other counties, and other functions at roll turn, that occur the last two weeks in September until the tax roll is certified; and

WHEREAS it is necessary to keep the software current during its continued use of the software application; and

WHEREAS the IT Department wishes to continue contracting with this vendor until such time that this proprietary software application is replaced with a new product; and

WHEREAS the renewal of this software application license would allow for the efficient utilization of existing goods and services as described in the Marion County Public Contracting Rules in Section 20-0275(2)(a); and

WHEREAS, the County published the required public notice on June 12, 2017 and received no protests,

IT IS HEREBY ORDERED that a sole-source determination be made to award a contract to Tyler Technologies, Inc. for software application licenses for a one (1) year term at a cost of $169,790 with an option to renew for an additional one (1) year period.

DATED this ____ day of June 2017.

MARION COUNTY BOARD OF COMMISSIONERS

_____
Chair

_____
Commissioner

_____
Commissioner

Original – Clerk's Office
cc: Finance – Attn: Camber Schlag
       Board of Commissioners - Attn: Jan Fritz

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MARION COUNTY
FINDINGS FOR EXEMPTION
FROM CONTRACT REVIEW BOARD RULES
FOR TYLER TECHNOLOGIES, INC.

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Marion County Information Technology Department and the Assessor's Office is requesting an exemption to allow the use of sole source procurement for the renewal of software license and maintenance/support fees for the County's assessment and taxation software.

Background

The Marion County Assessor/Tax Office converted all assessment and taxation information and processes to a vendor solution, TSG (The Software Group), now known as Tyler Technologies, in 1997. This computer product serves as the "core" system for all data relating to ownership, lot size, sales activity, inventory on all improvements to land, special assessment information, and other related data. The Assessor's Office uses it to calculate all tax rates, urban renewal, joint values with other counties, and other functions at roll turn, that occur the last two weeks in September until the tax roll is certified.

All employees within the Assessor/Tax Office rely on this program to assist them in performing their essential job duties. This may involve answering phone requests, looking up information for internal use, or tracking new information to support departmental processes.

The computer program is used to provide a vast array of information to individuals and organizations including the private citizen, Title and Escrow companies, Real Estate agencies, and state agencies including the Legislature. As with all Oregon counties, a computer system is essential to be able to track and monitor land changes, adapt to legislative requirements, and to increase process efficiencies.

In the fall of 2011, the County awarded a contract for a new assessment and taxation software based on the issuance of a Request for Proposals for new software. The implementation project ran into some issues and the County terminated the contract in the summer of 2013. The County has continued the use of the existing Tyler's assessment and taxation software and it requires the purchase of annual license and maintenance/support.

Findings

The annual renewal of the software license and its attendant upgrades, maintenance patches and technical support is necessary for the continued utilization of this software application at the County. The renewal of this software application license would allow for the efficient utilization of existing goods and services as described in the Marion County Public Contracting Rules in Section 20-0275(2)(a).

The continued purchase of this software license through Tyler Technologies is unlikely to diminish competition of public contracts or encourage favoritism. This software application is provided solely by Tyler Technologies as the developer and copyrighted owner of this

intellectual property product. The County intends to continue the use of this software application in the near future. It is necessary to keep the software current during its continued use to provide efficient and effective assessment and taxation services for the County.

The process to implement a new assessment and taxation software application product takes a considerable amount of time and effort. The last attempt started in mid-2010 and the award was made in the fall of 2012 due to the technical complexity of the assessment and taxation software requirements. The County plans to implement a new assessment and taxation software application product during fiscal year 17/18. Allowing renewal of existing software maintenance contracts for the one (1) year with a one (1) year option for renewal will provide County staff with sufficient time to develop and release a solicitation for a new software application in the future.

The IT Department and the Assessor's Office wish to continue contracting with this vendor until such time that this proprietary software application is replaced with a new product. Funding for proprietary license renewal is included in the IT Department's annual budgeting process for materials and services category.

Federal and Statutory Requirements (optional)

N/A

Recommendation

The Information Technology Department and the Assessor's Office request that the County consider approval of this Sole Source Procurement for the renewal of Tyler Technologies, Inc. software application licenses for a one (1) year term through June 30, 2018 at a cost of approximately $348,070 ($169,790 per year one (1) with 5% annual increases applied each year after) with an option to renew for an additional one (1) year period.

Attachments