

DOA-Business Operations Division – Procurement Services Section

**Finance & Personnel Committee Approval Required
For Single Source Contract
Contract #96-8 FS (PB927884)**

Background:

User Department:	Assessor's Office
Contract Description:	VSC – Software Development – Programming Services
Vendor Name and Location:	Software Synergy (Boise, ID)
Contract Term:	1/29/1996 – 1/28/2013
Requisition # and Date Received:	12335/Received January 29, 2013
Original Contract Amount:	\$62,400.00
Current Contract Amount:	\$1,195,000.00

If Amendment, History of Contract Amendments:

Date	Item	Term	Cost
1/26/1996	Original contract for Software Development Programming Services for \$62,400.00 from 1/29/1996 through 1/28/1997.	1/29/96 – 1/28/97	\$62,400.00
3/11/1996	Amendment #1: Increased the estimated contract total by \$37,600.00 from \$62,400.00 to \$100,000.00.	1/29/96- 1/28/97	\$37,600.00
12/17/1996	Amendment #2: Extended the contract through 1/28/1998 and increased the estimated contract total by \$100,000.00 from \$100,000.00 to \$200,000.00.	1/29/97 – 1/28/98	\$100,000.00
2/16/1998	Amendment #3: Extended the contract through 1/28/1999 and increased the estimated contract total by \$200,000.00 from \$200,000.00 to \$400,000.00.	1/29/98 – 1/29/99	\$200,000.00
12/14/1998	Amendment #4: Extended the contract through 1/28/2000 and allowed for two additional one-year extensions upon mutual consent.	1/30/99 – 1/28/00	\$0.00
2/25/2000	Amendment #5: Extended the contract through 1/28/2001.	1/29/00 – 1/28/01	\$0.00
11/9/2000	Amendment #6: Extended the contract through 1/28/2002 and increased the estimated contract total by \$100,000.00 from \$400,000.00 to \$500,000.00.	1/29/01 – 1/28/02	\$100,000.00
12/28/2001	Amendment #7: Extended the contract through 1/28/2003 and increased the estimated contract total by \$100,000.00 from \$500,000.00 to \$600,000.00.	1/29/02 – 1/28/03	\$100,000.00
12/9/2002	Amendment #8: Extended the contract through 1/28/2004 and increased the estimated contract total by \$100,000.00 from \$600,000.00 to \$700,000.00.	1/29/03 – 1/28/04	\$100,000.00
1/21/2004	Amendment #9: Extended the contract through 1/28/2005 and increased the estimated contract total by \$100,000.00 from \$700,000.00 to \$800,000.00.	1/29/04 – 1/28/05	\$100,000.00
1/31/2005	Amendment #10: Extended the contract through 1/28/2006 and increased the estimated contract total by \$50,000.00 from \$800,000.00 to \$850,000.00.	1/29/05 – 1/28/06	\$50,000.00
3/13/2006	Amendment #11: Extended the contract through 1/28/2007 and increased the estimated contract total by \$50,000.00 from \$850,000.00 to \$900,000.00.	1/29/06 – 1/28/07	\$50,000.00
3/23/2007	Amendment #12: Extended the contract through 1/28/2008	1/29/07 – 1/28/08	\$0.00
12/12/2007	Amendment #13: Extended the contract through 1/28/2009 and increased the estimated contract total by \$85,000.00 from \$900,000.00 to \$985,000.00.	1/29/08 – 1/28/09	\$85,000.00
1/29/2009	Amendment #14: Extended the contract through 1/28/2010.	1/29/09 – 1/28/10	\$0.00

1/25/2010	Amendment #15: Extended the contract through 1/28/2011 and increased the estimated contract total by \$50,000.00 from \$985,000.00 to \$1,035,000.00.	1/29/10 – 1/28/11	\$50,000.00
12/16/2010	Amendment #16: Extended the contract through 1/28/12 and increased the estimated contract total by \$80,000.00 from \$1,035,000.00 to \$1,115,000.00.	1/29/11 – 1/28/12	\$80,000.00
1/19/2012	Amendment #17: Extended the contract through 1/28/13 and increased the estimated contract total by \$80,000.00 from \$1,115,000.00 to \$1,195,000.00.	1/29/12 – 1/28/13	\$80,000.00
Pending	Amendment #18: Extend the contract through 1/28/14 and increase the estimated contract total by \$80,000.00 from \$1,195,000.00 to \$1,275,000.00.	1/29/13 – 1/28/14	\$80,000.00
Total (including the pending amendment)			\$1,275,000.00

Purpose of Contract/Amendment:

Recommend the City's existing vendor service contract for Client Server Software Development Programming Services with Software Synergy be amended to extend the contract for an additional one-year period from 1/29/2013 through 1/28/2014 and increase the estimated contract total by \$80,000.00 from \$1,195,000.00 to \$1,275,000.00.

The Assessor's Office reports that Software Synergy solely and satisfactorily developed the current client/server systems since the migration from Mainframe Systems in the mid 1990's. At the time the original contract was awarded in 1996, Software Synergy was the only qualified vendor with both requisite knowledge of the software and property assessment practice, and this remains true today. This vendor has made valuable recommendations to improve their business practices and then modified the current systems to support those changes. This vendor has specialized specific software skills and a clear insight into the department's operations, procedures and current technology structure that would be cost prohibitive to replace or duplicate.

City Purchasing Director Recommendation:

This contract includes maintenance of the Assessor's Office existing systems and any additional requests made for changes because of mandated requirements or adjustments to the present business functions. It is important to acknowledge that this contract covers both of these aspects because if the Assessor's Office had purchased a canned system from another vendor it would be paying an annual maintenance fee in addition to paying for any mandated changes or improvements.

The hourly billing rate for the contract is \$55 per hour which is very low compared to other IT contracts. This is the original rate of the contract and it has not increased over the years because the contract has been renewed and not rebid.

This low rate affords the City two advantages: 1) it means that we are able to purchase more service (if necessary) due to a mandated change in our business processes than if the contract were at a higher hourly rate; 2) it means that we have more flexibility in improving our systems based upon suggestions and feedback from our staff. The current contract is very cost effective for the City which makes it a candidate for renewal rather than rebid.

Another reason to renew the contract is that the vendor has performed exemplary work over the course of this contract. This has been beneficial to the City because there have been times when we have had to make changes to the systems mandated by the state Department of Revenue in a very short period of time. The vendor has always worked according to the department's needs and the final product has always exceeded expectations. The vendor has even made his own suggestions as to how the mass appraisal processes and valuation systems can be improved. The vendor has also worked with the department to develop analytical and report writing tools for both appraisers and supervisors which have allowed the department to better defend appeals of assessments. All of these actions have increased the overall efficiency of the office.

This vendor also understands the relationship the department's systems have to other City departments (Treasurer, DNS, DPW, etc) and keeps the interfaces current when other departments make changes to their systems without much guidance

from the Assessor's Office. The vendor suggests how the department can improve the content provided on the department's web site to better serve property owners and the public.

A final reason to approve the contract is that the department is currently undergoing major system development improvements to the entire property system while maintaining continuity at this juncture. The department is also undergoing a transition within the office as a result of an end to two other longstanding contracts. Renewing this contract will help with office stability while the department makes the necessary adjustments caused by the cancellation of the other contracts.

For these reasons, approval of the contract amendment, in accordance with the City Charter Ordinance Section 16-05-3-e and Common Council File No. 111737, is recommended.

Karen D. Jeffries

Purchasing Agent

Date

City Purchasing Director

Date



