



Legislation Text

File #: 12-0808, **Version:** 1

Resolution to Approve Contracts for Upgrade of Tax and Assessing Software Systems (\$58,801.00)
The resolution before you is to approve an upgrade of Tax and Assessing software systems. The City's Treasury, Assessing, Information Technology, and Accounting Service Units, in response to increased concerns regarding data integrity, data interfaces, and commonality of platform with other City applications and Washtenaw County's Treasurer and Equalization applications, propose this upgrade. Funding for this project is budgeted and available in the Information Technology Fund.

Current City Tax and Assessing systems are provided by BS&A Software ("BS&A"). The platform is antiquated in terms of database architecture, and is inconsistent with other City applications, making the interfaces to the financial system less efficient. Two years ago, BS&A upgraded its software suite to operate in a .Net environment. The new version of BS&A software has been adopted with success in many municipalities across the State of Michigan.

Although BS&A continues to support the old version of its software suite, we believe that they will eventually abandon the antiquated platform and support only their .Net version. We plan to address this issue proactively, so that we can migrate to the .Net version in a thorough and consistent manner, and on a timetable that is dictated by the City's needs rather than on a sunset date dictated by our software provider.

Additionally, the migration to the .Net version of BS&A software will align our database platforms, allow for easier and more accurate interfaces between City systems, and ensure conformity with County Treasurer and Equalization platforms. It will also provide employees, citizens and real estate professionals with more flexible access to tax and assessing data, greater flexibility and ease in reporting, and a modern look and feel to the applications. The new version of the software has many features that are absent in the old version, including automated transfer of adjustments between systems, greater flexibility in receipting, centralized administration across modules, and automatic interest calculations for Michigan Tax Tribunal cases.

Staff has evaluated three options:

Option 1: Develop a custom tax and assessing system

This option is not a viable option because it is not consistent with the strategic direction of ITSU and because of time and budget constraints and the complexity of Michigan tax law.

Option 2: Continue with the software suite we currently have in place.

Our current system is antiquated, will eventually need to be upgraded, and is not being brought forth as a viable alternative.

Option 3: Purchase and install the latest .Net version of the BS&A software suite.

The BS&A .Net system is consistent with the strategic direction of IT and will meet the organization's business, budget, and timing requirements. Therefore, this approach is the recommended option for the organization. This is a sole source

purchase. 97% of Michigan municipalities use at least one of BS&A's property applications. The County Treasurer has selected BS&A as the platform for Washtenaw County, and this purchase ensures conformity with that platform.

Equalizer Assessing.Net, Equalizer Tax.Net, Equalizer Special Assessment.Net, Equalizer Delinquent Personal Property.Net and Equalizer P.R.E Audit.Net are server based tax and assessing systems that are available through BS&A Software (<<http://www.bsasoftware.com>>). A complete description of the package is available on the [website](http://www.bsasoftware.com) <<http://www.bsasoftware.com>>, and detailed costs are below:

<u>Cost Category</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Project Costs:			
Licensing (One-Time Costs)			
• Assessing.Net	20,597	0	0
• Tax.Net	17,429	0	0
• Special Assessment.Net	8,800	0	0
• Delinquent Personal Property.Net	1,320	0	0
• P.R.E. Audit.Net	2,250	0	0
• Apex Assessing Sketch ^A	4,005	0	0
Training & Implementation	4,400	0	0
Implementation occurs in the weeks leading up to the go live date, and includes the configuration, setup and implementation of the program			
4 days @ \$1,100 ea.			
Acquisition Cost:	58,801		
Annual Service & Support ^B	12,270	12,270	12,270
Total First Year Cost Outlay:	71,071		
Ongoing Costs: ^B		12,270	12,270
Total 3 Year Costs:		95,611	

A: Apex Sketch is an accessory program that interfaces with BS&A Assessing.Net. It is a required element of an upgrade.

B: This fee is not materially different from that the City already pays to BS&A for service and support of current software versions. It is already budgeted.

Passage of this Resolution is recommended.

Prepared by: Matthew V. Horning, Treasurer, David R. Petrak, Assessor and Dan Rainey, ITSD Director

Reviewed by: Tom Crawford, Chief Financial Officer

Approved by: Steven D. Powers, City Administrator

Whereas, The City must respond to increased concerns regarding data integrity, data interfaces, and commonality of platform with other City applications and Washtenaw County's Treasurer and Equalization applications;

Whereas, BS&A Software ("BS&A") is the software solution for tax and assessing processes that has been adopted as the standard in Washtenaw County and in most of the State of Michigan;

Whereas, The BS&A .Net system is consistent with the IT strategic direction and will meet the

organization's business, budget and timing requirements and is therefore being recommended as the approach to follow; and

Whereas, BS&A received human rights on November 29, 2011 and complies with the City's living wage requirements;

RESOLVED, That City Council approve a contract with BS&A in the amount of \$54,795.00 and a purchase order with Apex in the amount of \$4,005.00 for the related required accessory program for the upgrade of the City Tax and Assessing Software Systems;

RESOLVED, That City Council approve a contract contingency amount of 10% and that the City Administrator be authorized to approve change orders to the software installation and implementation contract with BS&A not to exceed the contingency amount in order to satisfactorily complete this project;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the proposal and corresponding contract after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this Resolution.