



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** CONTROLLER

**File #:** 19-487

Board Meeting Date: 6/4/2019

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors  
**From:** Juan Raigoza, Controller  
**Subject:** Agreement with PKN Consulting Services Inc.

**RECOMMENDATION:**

Adopt a resolution waiving the Request for Proposals process and authorizing an agreement with PKN Consulting Services Inc. to provide software development and support services for the term of July 1, 2019 through June 30, 2022, with two one-year options to extend through June 30, 2024, in an amount not to exceed \$1,182,896.

**BACKGROUND:**

The Controller's Office Property Tax Division relies on the current property tax system, which requires ongoing support and development. Padmakumar Nagarajan of PKN Consulting Services Inc. is a senior software developer with 20 years of experience in developing and supporting the County Controller's Property Tax System. His extensive knowledge of the property tax system applications, database, and institutional knowledge of the property tax business processes have made him invaluable to making the necessary system changes required to respond to changes in property tax law.

**DISCUSSION:**

The Controller's Office is hereby requesting that this Board waive the Request for Proposals (RFP) process for contracted services. Although the Controller's Office is beginning the process of replacing its current legacy system, it is necessary to maintain ongoing operations of the Property Tax System and to ensure compliance with statutory mandates. It is in the County's best interest to waive the RFP process given the contractor's experience developing and supporting the County's Property Tax System and his extensive knowledge related to the County's applications, databases, and business processes. Additionally, with this knowledge of the County's current system, the contractor will be positioned to support the upgrade to the Controller's Office's Property Tax System.

This Board is also being asked to authorize the County Controller or his/her designee to execute subsequent amendments to the proposed agreement, so long as such amendment do not increase the total agreement amount by an aggregate of \$25,000.

The contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

County Counsel has reviewed and approved the Resolution as to form.

Risk Management has reviewed and approved contractor's compliance with County insurance requirements.

ISD has reviewed and approved this agreement with respect to its compliance with established County IT Standards.

Approval of this agreement contributes to the Shared Vision 2025 for a Collaborative Community by providing services that benefit other County departments such as the Offices of the Treasurer-Tax Collector and Assessor, as well as all other taxing entities in the County such as cities, special districts, and school districts.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2017-18 Projected</b>	<b>FY 2018-19 Target</b>
Percent of major tax apportionments completed by installment due dates	100%	100%

**FISCAL IMPACT:**

This contract is on-going and the rates for services are \$98, \$101, and \$104 per hour for FYs 2019-20, 2020-21, and 2021-22, respectively. The rates for the optional two one-year extensions are \$106 and \$108 per hour for FYs 2022-23 and 2023-24, respectively. The total contractual obligation is \$1,182,896 including the two one-year extensions. The contract will be funded through intrafund transfers from non-departmental reserves, included in the FY 2019-20 and FY 2020-21 Recommended Budgets and in subsequent years' budgets.