



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

37

2. Council Meeting Date:

August 14, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: July 15, 2014

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Annual maintenance for the Tax Mantra system

6. RECOMMENDATION: Recommend approval of the sole source purchase of annual maintenance for the Tax Mantra system from Tata Consultancy Services, Ltd. in an amount not to exceed \$152,680.

7. HISTORICAL BACKGROUND/DISCUSSION: The Tax Mantra system is the City's privilege (sales tax) collection and licensing software system, providing the administration and processing functionality necessary for collection of nearly 50% of the City's General Fund revenues. The original five-year maintenance agreement ended July 31, 2010. Because the City's client-based version is approaching obsolescence, the vendor will not enter into a long-term maintenance agreement. Therefore, ongoing maintenance agreements will only be renewed on an annual basis.

8. EVALUATION PROCESS: In May 2004, Council awarded the purchase of the Tax Mantra system from Tata Infotech Ltd., now known as Tata Consultancy Services, Ltd. The purchase included a five-year agreement for annual maintenance services to be automatically renewed every August 1st of subsequent years, with each year following as an annual renewal. Because the system is proprietary, the ongoing maintenance service is available only from Tata Consultancy Services. No other vendors are authorized to provide these maintenance services.

9. FINANCIAL IMPLICATIONS: Funds for this purchase of the annual maintenance for the Tax Mantra system are available from: General Fund, Tax and License, Other Equipment Repair and Maintenance (101.1240.5419) .

10. PROPOSED MOTION: Move to approve the sole source purchase of annual maintenance for the Tax Mantra system from Tata Consultancy Services, Ltd. in an amount not to exceed \$152,680.

APPROVALS

11. Requesting Department

Matt Dunbar, Revenue and Tax Manager

12. Department Head

Dawn Lang, Management Services Director

13. Procurement Officer

Carolee Stees, CPPB

14. City Manager

Rich Dlugas