



## Legislation Text

---

**File #:** 15-053, **Version:** 1

---

### **AUTHORIZATION TO APPROVE THE PURCHASE OF ANNUAL MAINTENANCE SUPPORT FROM TCS AMERICA, INC. FOR THE TAX MANTRA SYSTEM**

Staff Contact: Tom Duensing, Director, Finance and Technology

#### **Purpose and Recommended Action**

This is a request for City Council to approve the purchase of annual maintenance support from TCS America, Inc. for the Tax Mantra System for one year under contract number C-7108 for an amount not to exceed \$157,788, and to authorize the City Manager to execute any documents necessary to implement the maintenance contract for the period of February 9, 2015 through February 8, 2016.

#### **Background**

On August 11, 2009, City Council awarded contract number C-7108 to TCS America, Inc., for the city's sales tax and licensing system software. The City uses the sales tax and licensing software to manage taxpayer information, process tax returns and business license renewals, monitor outstanding receivables and delinquencies, and identify potential audit cases. Annual maintenance provides technical support, software updates and fixes, and upgrade rights. The contract allows for the continuation of maintenance annually upon mutual agreement by both parties.

Under the current contract with TCS America, Inc., the cost for one year of maintenance is \$157,788 and covers the period of February 9, 2015 through February 8, 2016. Staff contacts TCS America, Inc. on a weekly basis for assistance with system updates, fixes, and changes.

#### **Analysis**

TCS America, Inc. is the creator of the Tax Mantra software and currently provides the much needed maintenance and support. It is common in the software industry for the software maintenance to be provided only by the creator of the system because the software is proprietary and firms typically do not license other companies to provide support services. This software maintenance and support is necessary to continue to use the Tax Mantra system for the next year.

#### **Previous Related Council Action**

On February 28, 2014 and February 12, 2013, City Council approved the annual maintenance support contract and expenditures for the Tax Mantra system.

On August 11, 2009, City Council awarded contract number C-7108 to TCS America, Inc. for the Tax Mantra sales tax and licensing system software.

**Community Benefit/Public Involvement**

The Tax Mantra system captures taxpayer account information, tracks tax return filings and payments, delinquencies, licensing, and business information.

**Budget and Financial Impacts**

The annual maintenance support cost is funded in the Technology Replacement Fund.

<b>Cost</b>	<b>Fund-Department-Account</b>
<b>\$157,788</b>	<b>1140-11530-522700, Technology Replacement Fund</b>

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?