

# Kenai Peninsula Borough

## Finance Department

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### MEMORANDUM

**TO:** Brent Johnson, Assembly President  
Members, Kenai Peninsula Borough Assembly

**THRU:** Peter A. Micciche, Mayor *PM*

**FROM:** Brandi Harbaugh, Finance Director *BH*

**DATE:** July 20, 2023

**RE:** Ordinance 2023-19-07, Approving a Sole Source Award Through Cooperative Purchasing and Appropriating Funds for the Purchase and Implementation of Software to Support the Special Assessment Billing Process (Mayor)

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The Kenai Peninsula Borough (Borough) provides for special assessments for both road construction and utility improvements districts per KPB Chapters 14.31 and 5.35. Currently the Borough has 204 individual accounts with an overall outstanding balance of \$409,825.

The current Special Assessment software platform, utilized for tracking, billing and collections, was developed internally prior to 1994 to support the unique business requirements surrounding the borough's special assessments. This platform was built on the legacy Unisys platform, which has been out of active development for many years. Migration of this platform will bring the Borough one step closer to sunsetting this legacy Unisys platform, eventually realizing a cost saving in Unisys licensing and support. Due to the lack of support and need for a more robust modern piece of software, the Finance Department is requesting \$126,000 for conversion of data, implementation of the new software and first year maintenance and licensing. The ongoing annual maintenance and licensing costs are estimated to be \$21,000. The Software is cloud-based with an online payment module and provides for a more flexible and reliable special assessment billing platform for the Finance Department.

The Finance Department researched new software options and also evaluated the potential of utilizing an existing piece of software to determine best product for our purpose. Only one vendor was able to provide a viable option for the purpose of special assessment tracking, billing and collections without requiring the purchase of a full suite Enterprise Resource Planning Software (ERP). The software is available through the SourceWell Cooperative and therefore, we are requesting a sole source based on cooperative pricing. This cooperative pricing will offer a 10% discount in the cost of the software.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Acct. No. <u>100-27900</u>	Amount: <u>\$126,000</u>
By: <u><i>CJ</i></u>	Date: <u>7/19/2023</u>