



Board Agenda Item 67

DATE: December 9, 2025

TO: Board of Supervisors

SUBMITTED BY: Mike Kerr, Director of Information Technology/Chief Information Officer
Oscar J. Garcia, CPA, Auditor-Controller/Treasurer-Tax Collector
Paul Dictos, CPA, Assessor-Recorder

SUBJECT: Retroactive Fifth Amendment to Agreement with Peraton State & Local, Inc.

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a retroactive Fifth Amendment to Agreement No. A-25-072 with Peraton State & Local, Inc. to memorialize transition services to the County's new Property Management System, effective September 15, 2025, with no change to the term or maximum compensation.

There is no additional Net County Cost associated with the recommended action, which would memorialize the transition services that Peraton State & Local, Inc. (Peraton) will be providing as a part of the transition to the new mainframe system hosted by Computer Technologies U.S.A., LLC dba Blue Hill Data Services (Blue Hill), which will be completed no later than February 26, 2026. This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. The recommended Amendment outlines clear expectations and responsibilities regarding transition services from Peraton to Blue Hill. Should your Board choose not to approve the recommended Amendment, the County will be unable to transition to the new Property Management Information System (PMIS) mainframe hosting provider in a timely manner.

RETROACTIVE AGREEMENT:

The recommended Amendment is retroactive to September 15, 2025, the date when transition services began. These services are part of the Department's regular process for moving to a new system and were included in the fourth amendment to the Agreement. In October 2025, Peraton requested an amendment to further define and formally memorialize the responsibilities of the transition in the Agreement. Because this request came after the transition services had already started, the recommended Amendment is retroactive.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum amount payable under the potential six-year term is \$4,550,000. Costs will continue to be funded through Information Technology Services Department (ITSD) Org 8905 and charged back to the Auditor-Controller/Treasurer-Tax Collector's (ACTTC) Org 0410 and Assessor-Recorder's (Assessor) Org 0420. Sufficient appropriations and estimated revenues are included in the departments' FY 2025-26 Adopted Budgets. The cost associated with the transition services was budgeted in the Agreement; therefore, the maximum compensation does not need to be increased.

DISCUSSION:

The PMIS is a mission-critical application used by the ACTTC and Assessor for essential property tax collection and assessment functions. The system processes property tax transactions, maintains tax records, and facilitates tax distribution, making its continued availability imperative for County statutory operations. Due to the complexity and regulatory nature of property tax management, the mainframe platform remains the most stable and secure environment for hosting PMIS.

On February 25, 2020, the Board approved Agreement No. A-20-074 with Perspecta State & Local, Inc. for mainframe hosting services for the PMIS, effective February 27, 2020, with a three-year term, and a maximum compensation not to exceed \$2,550,000.

On November 24, 2020, the Board approved a first amendment to the Agreement to allow for modernization updates to the mainframe system with no change to the term of February 27, 2020, through February 26, 2023, or maximum compensation of \$2,550,000.

On August 9, 2022, the Board approved a second amendment to the Agreement to address the vendor's name change to Peraton State & Local, Inc., implement a requested price increase on unit rates, add fixed staff rates for professional services that were previously omitted, replace the annual compensation limits in favor of a term lump sum amount with no change to the maximum compensation amount of \$2,550,000, and extend the term by one year with an optional one-year extension, February 27, 2023 to February 26, 2025.

On February 20, 2024, the Board approved a third amendment to the Agreement to increase the maximum compensation by \$1,000,000 to a total of \$3,550,000 to address increased costs associated with the previous unit rate increases and higher-than-anticipated usage due to continued project delays relating to the transition of the mainframe system to the County-hosted system, with no change to the potential five-year term.

On February 25, 2025, your Board approved a fourth amendment to the Agreement to increase the maximum compensation by \$1,000,000 to a total of \$4,550,000 to address increased costs associated with the previous unit rate increases and higher than anticipated needs and extend the term by one year from February 27, 2025 to February 26, 2026 to allow for continued services while the County transitions to a new mainframe hosting platform.

On August 5, 2025, your Board approved Agreement No. A-25-373 with Blue Hill for mainframe hosting services for the PMIS, effective August 5, 2025, with an approximate one-year base term and two optional one-year extensions, and a maximum compensation not to exceed \$3,500,000.

The recommended Amendment will memorialize transition services from the current mainframe system to the new mainframe system with Blue Hill with no change to the term or maximum compensation.

REFERENCE MATERIAL:

BAI #37, August 5, 2025
BAI #32, February 25, 2025
BAI #31, February 20, 2024
BAI #43, August 9, 2022
BAI #45, November 24, 2020
BAI #44, February 25, 2020

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Fifth Amendment to Agreement with Peraton

CAO ANALYST:

Amy Ryals