

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SAN BERNARDINO  
AND RECORD OF ACTION**

May 19, 2020

**FROM**

**ENSEN MASON, Auditor-Controller/Treasurer/Tax Collector**

**SUBJECT**

Agreement with OPEX Corporation for Purchase, Support, and Maintenance of Mail Opening and Scanning Equipment

**RECOMMENDATION(S)**

1. Approve **Agreement No. 20-260** with OPEX Corporation for the purchase of two OPEX® FalconV+ RED machines, proprietary mail opening and scanning equipment to be used by the San Bernardino County Tax Collector, in a one-time cost not to exceed \$184,322 plus annual support and maintenance fees of \$23,010, for a total amount not to exceed \$207,332.
2. Authorize the Purchasing Agent to execute the annual renewal for support and maintenance of the OPEX® FalconV+ RED machines on an ongoing basis, in an annual amount not to exceed the Purchasing Agent's authority.

(Presenter: Douglas R. Boyd, Assistant Auditor-Controller/Treasurer/Tax Collector, 382-7004)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Improve County Government Operations.**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

Approval of the recommended agreement will not result in the use of additional Discretionary General Funding (Net County Cost). Sufficient appropriation and revenue have been included in the Auditor-Controller/Treasurer/Tax Collector's 2019-20 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

The Tax Collector is charged with the collection of secured and unsecured property taxes pursuant to California Revenue and Taxation Code §2602 and §2903. Property tax dollars are used to fund key public services including education, police and fire protection, and social and public health services. Each year, more than 600,000 payments are opened and/or scanned through the Tax Collector's four OPEX Corporation (OPEX) Model 51 and AS3600 Integrated machines. The machines were purchased in 1999 and are over 20 years old. Parts are becoming obsolete and service is more problematic. The machines operate on the Windows 7 operating system, which lost Microsoft Windows mainstream support in January 2020. For an additional fee, Microsoft will only produce critical updates for two more years. At that point, these machines will become a vulnerability and security risk.

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The recommended agreement with OPEX will allow for the purchase of two new OPEX® FalconV+ RED mail opening and scanning machines. These replacement machines offer improved operational functionality and will increase staff productivity. They are reliable, dependable, and necessary to ensure the Tax Collector continues to carry out its core responsibilities. The agreement will also ensure the equipment receives routine maintenance for optimal functionality and allow the Tax Collector to obtain support services in an expeditious manner. Recommendation No. 2 will authorize the Purchasing Agent to execute the annual renewal for support and maintenance of the machines on an ongoing basis, in an annual amount not to exceed the Purchasing Agent's authority. Support and maintenance services for these machines are essential to ensure the readiness of the equipment during critical operations, such as processing property tax installment payments.

**PROCUREMENT**

This is a non-competitive procurement, as OPEX is the sole manufacturer of the OPEX® FalconV+ RED, which combines the capabilities of the Falcon V+ scanner with the OPEX Model 72 Rapid Extraction Desk (RED). This product allows one operator to open, extract, identify, capture, orient, sort, print an audit trail, and output mail contents in just one step. No other mail extraction or scanning product available in the marketplace today offers this combination of features. OPEX is also the sole authorized source for parts and service on its equipment. Purchasing concurs with the non-competitive justification of functional specifications for the recommended agreement.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Robert F. Messinger, Principal Assistant County Counsel, 387-5455) on April 21, 2020; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on April 21, 2020; Finance (Carl Lofton, Administrative Analyst, 387-5404) on May 4, 2020; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on May 4, 2020.

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Record of Action of the Board of Supervisors  
County of San Bernardino

**APPROVED (CONSENT CALENDAR)**

Moved: Robert A. Lovingood Seconded: Josie Gonzales

Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: May 19, 2020



cc: ATC- Atkeson w/agree  
Contractor- C/O ATC w/agree  
File- w/agree  
la 05/19/2020