



Board Agenda Item 25

DATE: May 25, 2021
TO: Board of Supervisors
SUBMITTED BY: James A. Kus, County Clerk/Registrar of Voters
SUBJECT: Ballot Printing Agreement with Integrated Voting Systems Inc.

RECOMMENDED ACTION(S):

- 1. Make a finding that it is in the best interest of the County to suspend the competitive bidding process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances as Integrated Voting Systems Inc. has the capacity to offer the county a significantly reduced rate; and**
- 2. Approve and authorize the Chairman to execute an Agreement with Integrated Voting Systems Inc. for ballot printing and other services effective July 1, 2021 not to exceed two consecutive years, total not to exceed \$2,500,000.**

There is no additional Net County Cost associated with the recommended actions. Approval of the first recommended action will allow for the suspension of the competitive bidding process. The second recommended action will allow for the County Clerk - Elections Department to contract with Integrated Voting Systems Inc. (IVS) for ballot printing, vote-by-mail by mail processing, vote by mail envelopes, voter services mailers, and mailing services for the aforementioned products. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved the Department will be required to initiate a Request for Proposal (RFP) process and would not be able to take advantage of the proposed discounts offered by the vendor. Should a vendor other than IVS be selected through such a process, the Department may not have adequate time to transition to a different vendor for any major upcoming elections including a potential gubernatorial recall in late 2021.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department's request to suspend the competitive bidding process is consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances. IVS has agreed to provide the Department with discounts averaging 9.5% across all fee types compared to 2015 rates which is a significant savings to the Department. IVS is the Department's current vendor for these services and has provided exemplary service since 1996. The Internal Services Department - Purchasing concurs with the Department's request to suspend the competitive bidding process and that this decision is in the best interests of the County.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum cost of

the proposed Agreement with IVS during the full term is \$2,500,000. A portion of these costs will be funded with offsetting revenues through the pro-rata election billing process to entities participating in elections. Sufficient appropriations and offsetting revenues will be included in the Org 2850 FY 2021-22 Requested Budget and future budget requests.

DISCUSSION:

The California Election Code specifies requirements for ballot printing, vote by mail processing and vote by mail envelopes. There are currently 503,629 active registered voters living in Fresno County. Each active registered voter is provided with a vote by mail ballot or the opportunity to receive assistance at one of 53 Vote Centers. In the November 2020 Presidential General Election, 87% of all ballots were cast using a vote by mail ballot. The Department has contracted with IVS, a local printer, since 1996 to print official ballots, and provide vote by mail fulfillment services.

Upon approval by your Board, the recommended actions will allow the Department to suspend the competitive bidding process and enter into an agreement with IVS Inc. In January 2021 the Department, in consultation with the Purchasing Manager, approached the vendor to ascertain their interest in offering the Department a discounted rate in lieu of a formal bid process. The vendor agreed to offer discounts averaging 9.5% compared to 2015 rates. These rates, if applied to a bill similar to the Department's November 2020 General Election bill, would result in a savings of approximately \$57,000.

IVS has been providing services to the County Clerk - Elections Department since 1996. In 2015 they were unanimously selected through an RFP process. The vendor's performance has exceeded department expectations throughout this time and the department has enjoyed a positive and collaborative relationship with the vendor in service of county deadlines and specifications.

The Department has carefully evaluated the potential costs and benefits of an RFP process for this service. 2020 and the current year-to-date have presented monumental challenges for the department including the execution of the November 2020 Presidential General Election in the midst of the COVID-19 Pandemic, unexpected turnover in key leadership positions, and the shifting of staff focus to signature verification for the gubernatorial recall. Upon evaluation of these factors, the Department approached the Purchasing Manager to ascertain the feasibility of suspending competition with the vendor if they should agree to provide reduced rates. With support from the Purchasing Manager, the Department approached the vendor with this proposal and the vendor provided the rates discussed herein. The timing of the expected Recall election is of utmost concern to the department. Transitioning to a new vendor could present significant challenges and potential setbacks to the Department while executing this upcoming election. Due to unique nature of a statewide recall, the turnaround time for ballot printing will be shorter than the typical timeframe.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request Form
On file with Clerk - Agreement with Integrated Voting Systems Inc.

CAO ANALYST:

Raul Guerra