



Board Agenda Item 32

DATE: May 7, 2019

TO: Board of Supervisors

SUBMITTED BY: Brandi L. Orth County Clerk/Registrar of Voters

SUBJECT: Retroactive Agreement with Granicus, LLC

RECOMMENDED ACTION(S):

1. **Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances for continued software maintenance, technical support and related services for the County Clerk Services System; and**
2. **Approve and authorize the Chairman to execute a retroactive Agreement with Granicus, LLC, for continued software maintenance and technical support of the County Clerk Services System, effective upon execution, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$284,317.**

Approval of the recommended actions will allow the County Clerk/Registrar of Voters to continue using the Granicus, LLC (formerly known as "SouthTech Systems") software for the County Clerk Services System with no interruption of service to the public or staff. The Department is requesting a suspension of competition because of the unique characteristics of the custom built software, which was developed and validated for Fresno County, and the familiarity with the system of staff and the public. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, the Department will not be able to provide services to the public on the current system. The contract with SouthTech expired April 14, 2019. Your Board could request staff issue a new Request for Proposal, which would delay acquiring maintenance and support for the current system. Selection of a new software system is unlikely, as it would result in one-time implementation and equipment costs in addition to the ongoing maintenance and technical support fees which would be more costly than the current proposal.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department requests your Board suspend the competitive bidding process consistent with Administrative Policy No. 34 under the unusual or extraordinary circumstances exception as the County Clerk/Registrar of Voters Department has expended significant funds and staff time to have Granicus' software developed for the Department. This product has been in use by the County Clerk for over eleven years and has substantially increased the efficiency of the Department without any major issues. The product has been custom tailored with special reports, forms, and modules specifically built for Fresno County. The product is running on previously acquired hardware and will not require any upgrades in the

near future. Staff has numerous hours of training on the system and the clients are also acclimated with the user interface which has increased efficiency in filing of Clerk related documents. Due to the fact that this product has been custom tailored for Fresno County and that countless hours have been spent on training to increase efficiency it would not be feasible, nor cost effective, to implement a new system and/or vendor at this time.

Additionally, Granicus (formally known as "SouthTech Systems") has agreed to hold current pricing with no increases in annual costs over the initial three-year term of the new recommended agreement. Optional renewal years #4 and #5 may be subject to a 2% adjustment increase. Based on the unique characteristics of the custom-built product, familiarity with the system, and the ability of continued use of the current hardware, it is prudent to continue using the same product for the next three to five years.

RETROACTIVE AGREEMENT:

The recommended agreement is retroactive to April 15, 2019. The recommended agreement was received from Granicus, LLC on April 8, 2019. The time required to prepare and review the recommended agreement did not allow presentation to your Board at an earlier date.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. Costs are estimated not to exceed \$284,317 for the term of this agreement. Sufficient appropriations and estimated revenues to cover the FY 2018-19 costs associated with this agreement are included in the County Clerk - Elections Org 2850 FY 2018-19 Adopted Budget. Ongoing annual costs for the entire Granicus, LLC suite of products will be included in future budget requests.

DISCUSSION:

The proprietary SouthTech software system was originally purchased in April 2004 and fully implemented in 2006 to enhance various processes within the Clerk Services Division of the County Clerk-Elections Department. On April 1, 2014, the Board approved Agreement No. 14-123 with SouthTech Systems, Inc., through a suspension of competition, for software maintenance and technical support services for campaign disclosure filings, marriage licenses, fictitious business names, notary registrations, and Clerk Services cashiering, effective April 15, 2014 through April 14, 2019 with a not to exceed total amount of \$196,973.

On January 31, 2017, the Board approved Amendment 1 to the Agreement that increased the total contract amount from \$196,973 to \$245,312, a net increase of \$48,339 to purchase the eCampaign™ software module which enables online processing of Fair Political Practices Commission (FPPC) forms.

On January 23, 2018 your Board approved Amendment 2 to the Agreement that increased the total contract amount from \$245,312 to \$314,786, a net increase of \$69,474 for upgrades to the ClerkDocs™ and Cashiering systems, install and configure the ClerkDocs™ Passport Application and Management System with two online licenses, upgrades to the Marriage Application Online System with a second online license, and install and configure an upgraded ClerkDocs™ Fictitious Business Name Premium module with two online licenses. The total cost for these improvements was \$61,050, to be paid upon acceptance of the installation. Software maintenance and product support of the four new modules totaled \$8,424 annually, effective April 15, 2018 to April 14, 2019.

On November 13, 2018, Granicus, LLC, purchased SouthTech Systems and have continued to provide maintenance and support for the existing software. Approval of the proposed Agreement is recommended as the software provided by Granicus, LLC has enhanced efficiencies within the Department's Clerk Services Division with the utilization of electronic forms that reduce processing time, thus allowing for staff to spend time on other functions. Additionally, the staff is trained to use the current system in an efficient manner and clients are also familiar with the user interface. Any change in vendors would reduce the

present efficiency of a system that has not presented any major issues to date.

The Agreement contains provisions that (1) excludes Contractor's liability for indirect or incidental damages arising from Contractor's products/services, (2) limits both parties' total liability for direct damages to the amount of fees County paid to Contractor during the six (6) months preceding notification of the claim to the other party and (3) prohibits either party from instituting an action more than two years after the cause of action has arisen. The Agreement includes a modified mutual Indemnification/Defense provision providing for indemnification and defense of either party by the other for third party infringement of copyright or U.S. patent claims, except for claims arising from County's modification of Contractor's products. Risk Management reviewed the proposed agreement and expressed concerns over the liability risks the County will incur with these provisions. County Counsel has reviewed and approved the proposed agreement as to legal form. The Department (County Clerk) recommends your Board consider the necessity of entering into this Agreement with the Contractor.

Approval of the recommended actions will allow the Department to continue utilizing a proven system with no interruption to the support provided and with no initial increase in annual costs.

REFERENCE MATERIAL:

BAI #29, January 23, 2018
BAI #23, January 31, 2017
BAI #16, April 1, 2014

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition
On file with Clerk - Agreement with Granicus, LLC

CAO ANALYST:

Yussel Zalapa