



# Board Agenda Item 51

DATE: May 7, 2019

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director, Internal Services/Chief Information Officer

SUBJECT: Agreement with N. Harris Computer Corporation for iNovah Software, Hardware, Maintenance and Support

## 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 the solicitation of maintenance and support for cashiering systems and software for County departments; and**
- 2. Approve and authorize the Chairman to execute an Agreement with N. Harris Computer Corporation for iNovah cashiering software, hardware, and software maintenance and support, effective May 7, 2019, not to exceed ten consecutive years, which includes a five-year base contract and five optional one-year extensions, total not to exceed \$890,000.**

Approval of the recommended actions will continue the County's use of the iNovah cashiering system with integrated remittance processing capabilities within the Department of the Auditor-Controller/Treasurer-Tax Collector and the Department of Public Health. The proposed agreement will also expand services to include the Agriculture Department. This item is countywide.

## ALTERNATIVE ACTION(S):

There are no viable alternative actions. The current iNovah system is only supported by N. Harris Computer Corporation. The cost to replace the current in-place system, and provide the necessary staff training for a new system would vastly exceed the current single-year costs of the iNovah system.

## SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department of Internal Services' request to waive the competitive bidding process is consistent with Administrative Policy No. 34, as the iNovah system is currently implemented within two departments: the Department of the Auditor-Controller/Treasurer-Tax Collector and the Department of Public Health. Replacing the existing system would cause the County to incur significant implementation and training costs vastly exceeding the current single-year costs of the existing system. The Internal Services Department - Purchasing Division concurs with the Departments' request to waive the competitive bidding process.

## FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. Costs are estimated not to exceed \$890,000 for the term of this agreement. All costs associated with this agreement are recovered through charges to user departments. Sufficient appropriations and estimated revenues for the

FY 2018-19 costs associated with this agreement are included in the Department's Information Technology Services Org 8905 FY 2018-19 Adopted Budget. Ongoing annual costs for the remaining term of the agreement will be included in future budget requests.

DISCUSSION:

On July 7, 2009, the Board approved Agreement No. 09-309 with Systems Innovators, a division of N. Harris Computer Corporation, to provide the iNovah Cashiering system with integrated remittance processing. On October 28, 2014, the Board approved Agreement No. 14-628 with System Innovators to continue providing the iNovah system. This agreement was then amended on October 31, 2017 to add services for the Department of Public Health. The iNovah system is robust, and has been effectively implemented within the County for the past decade. The Agriculture Department is requesting to utilize the cashiering functionality and, alongside the Department of Public Health, implement a new Accounts Receivable module.

As required by the vendor, the hold harmless and insurance sections are modified from County standard agreement provisions. The vendor has limited its liability in several areas, and the indemnity provisions are also more limited than the standard County provisions. These modifications and limitations were reviewed by Risk Management and County Counsel. The Department believes that the benefits of this agreement outweigh all potential risks, and recommends approval of the agreement by your Board as a prudent business decision. Additionally, the term of this agreement is longer than is County standard. This increased term will allow the County to minimize maintenance and support cost increases over the next decade, while retaining the use of this robust cashiering system for use by County departments.

REFERENCE MATERIAL:

BAI #42, October 31, 2017  
BAI #16, October 28, 2014  
BAI #24, July 7, 2009

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Form  
On file with Clerk - Agreement with N. Harris Computer Corporation

CAO ANALYST:

Yussel Zalapa