



Monterey County

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Board Report

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- a. Approve and authorize the Director of the Economic Development Department to execute a non-standard software license agreement with Blane Canada LTD, for use of Synchronist Business Information System software, through renewal and assumption of the terms and conditions of the City of Salinas' former license agreement for the same, for the period of January 1, 2016 to June 30, 2016 in the amount of \$1,350.00; and
- b. Authorize the Director of Economic Development to execute up to three 12-month renewals, for a base amount of \$2,250 per year, and increases per year of no more than 10% (\$225) for maximum yearly contract amounts of \$2,475, with no significant changes to the terms of the software license agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Director of the Economic Development Department to execute a non-standard software license agreement with Blane Canada LTD, for use of Synchronist Business Information System software, through renewal and assumption of the terms and conditions of the City of Salinas' former license agreement for the same, (Exhibit - A), for the period of January 1, 2016 to June 30, 2016 in the amount of \$1,350.00; and
- b. Authorize the Director of Economic Development to execute up to three 12-month renewals, for a base amount of \$2,250 per year, and increases per year of no more than 10% (\$225) for maximum yearly contract amounts of \$2,475, with no significant changes to the terms of the software license agreement.

SUMMARY/DISCUSSION:

Synchronist Business Information System software (Synchronist software) is a cloud-based, business retention/expansion database designed to manage and assist with economic development. It hosts data, manages contacts, and produces economic development analytical reports, including investment forecasts, strength and weakness projections, business dynamics, identification of workforce skills gaps, and workforce evaluations.

Synchronist software was utilized by Economic Development Department (EDD) staff in connection with the Salinas Valley Enterprise Zone, administered by the City of Salinas. The Enterprise Zone was a program of the California Department of Housing and Community Development, designed to provide tax incentives to businesses and thereby facilitate revival of local economies by private-sector market forces. The City of Salinas contracted with County EDD staff to implement the enterprise zone project from November 1, 2013 through June 30, 2014. The City of Salinas also entered into a software license agreement for use of the Synchronist software to further enterprise zone efforts. Using Synchronist software, County EDD staff successfully conducted business retention/expansion (BRE) surveys with more than

ninety businesses, both large and small, throughout South and North Monterey County.

On June 27, 2015, the City of Salinas allowed its license for use of the Synchronist software to lapse because of the termination and wind-down of Enterprise Zones throughout the State of California.

EDD proposes to license Synchronist software, on the same terms and conditions previously agreed to by the City of Salinas, (Exhibit - B), to continue using this software as a business retention/expansion tool. The benefits of using this product includes staff familiarity with the software, access to free training and technical assistance, and use of all historical collected data.

EDD will achieve significant savings by licensing this software through assumption of the terms of the City of Salinas' prior license agreement with Blane Canada. Blane Canada charges license fees based upon the population of the software license user. If the County entered into an independent agreement with Blane Canada for license of the Synchronist software, its license fee, based on the County's population, would be approximately \$24,050, plus an update fee of \$6,500.

Blane Canada has a policy of permitting authorized users of the Synchronist software to assume, or continue usage, under the same terms and conditions of the original license. Monterey County was an approved software user under the City of Salinas' prior license agreement and Blane Canada has agreed to Monterey County's assumption of the terms of that agreement. By licensing the Synchronist software in this manner, price remains based upon the population of the City of Salinas, or \$2,250 per year. For the period of January 1, 2016 through June 30, 2016, that amount is pro-rated by Blane Canada to \$1,350.00. To continue achieving savings for the County, it is recommended that the Board authorize up to three one-year renewals of this license, permitting cost increases of no more than 10% (\$225), for a maximum yearly license fee of \$2,475.00.

The City of Salinas' prior license agreement with Blane Canada contains provisions which, if assumed by the County, are non-standard to County contracting practice, as noted by County Counsel and Risk. The Director of EDD recommends that the Board nonetheless approve license of the Synchronist software on non-standard terms, given staff's familiarity with, and success using, the software; plans to continue conducting business retention/expansion interviews; the significant cost savings to the County; and the ability for the Department to use the analytics from the software to help measure performance and provide reports to the Economic Opportunity Committee and others.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the City of Salinas' prior Synchronist software license Agreement and cannot approve the County's assumption of the terms and conditions of that agreement, based on the following non-standard terms: lack of standard County indemnity/insurance provisions and disclaimer of liability by Blane Canada for damages. Risk has reviewed the City of Salinas' prior Synchronist software license Agreement and cannot approve its non-standard provisions.

County Counsel has reviewed the Renewal and Assumption Agreement, by which the County

would license the Synchronist software on the same terms and conditions as set forth in the City of Salinas' Synchronist software license agreement. County Counsel approves the Renewal and Assumption Agreement as to form.

FINANCING:

There is no financial impact to the General Fund. The funds for this Agreement are included in the Economic Development's (Fund 001, Unit 8221, Appropriation Unit DEO001) FY 2015-16 Adopted Budget.

Prepared by: _____
Jerry Hernandez, Administrative Analyst II, Ext. 5393

Approved by: _____
David L. Spaur, CECd, EDPF, Economic Development Director, Ext. 5387

Attachments:

Exhibit A - Renewal and Assumption Agreement between Monterey County and Blane Canada LTD

Exhibit B - Synchronist Local License Agreement with the City of Salinas and City of Salinas Purchase Order

(Attachments are on file with the Clerk of the Board)