



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604

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Staff Report
April 26, 2007

Honorable Mayor and
Members of the City Council

Continued from April 26, 2007

Title: Agreement: Electronic Campaign Disclosure and Statement of Economic Interests Form 700 Filing System

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** authorizing the City Manager to execute a Consultant and Professional Services Agreement with Westcoast Online Information Systems dba NetFile to provide an electronic campaign disclosure statement and statement of economic interests form 700 filing system for two (2) years in an amount not to exceed \$63,400.

Contact: Stephanie Mizuno, Assistant City Clerk, 808-8093; Shirley Concolino, City Clerk, 808-5442.

Presenters: N/A

Department: City Clerk

Division: N/A

Organization No: 0700

Description/Analysis

Issue: On July 1, 2007 City/County of San Francisco Department of Telecommunications and Information Systems (DTIS) will no longer technically support the City's electronic campaign filing system. The system is a highly complex and complicated program of unique software that is difficult to maintain technically. The City does not have the funding, technical resources, nor desire to take over an unreliable and technically obsolete program. To maintain customer service at a level at or above the service currently provided the system should be replaced.

Policy Considerations: That the City of Sacramento continue to provide as a customer service, and in compliance with City Code, an electronic system for the filing and research of campaign statements, and to enhance the system with the addition of electronic statement of economic interest filings.

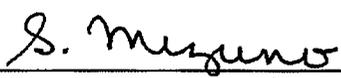
Environmental Considerations: None.

Commission/Committee Action: None.

Rationale for Recommendation: For the City of Sacramento to continue providing an electronic method for the filing of campaign statements, a replacement system must be purchased. NetFile is the only State certified company that provides an electronic campaign filing system that also has administrative functions for the Filing Official and provides a web based search component.

Financial Considerations: No additional funding is requested. The City Clerk's Office will fund this agreement partially through the Clerk's Automation CIP (AA68) and operational funds that would have been used to pay for services to San Francisco's DTIS.

Emerging Small Business Development (ESBD): N/A

Respectfully Submitted by: 
Stephanie Mizuno
Assistant City Clerk

Recommendation Approved:


Shirley Concolino
City Clerk

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Attachment 1**Background:**

City Code Section 2.13.130 [Filing of Campaign Statements – Electronic Format] prescribes that the elected officer, candidate or committee shall file, at the same time as the official statement, a copy of the statement on a computer diskette or other electronic media. The electronic media shall be in a format that is prescribed by the City Clerk.

To provide for an electronic format for campaign disclosure statements, the City of Sacramento purchased a software program from the City/County of San Francisco Department of Telecommunications and Information Systems (DTIS). The program was set up and functioning in time for the campaign statement filing of July 31st 2001. The electronic system also provided a web-based search engine and a back-office component for administrative management and compliance purposes.

In January of 2007, the DTIS notified the City of Sacramento and the San Francisco Ethics Commission that they would no longer support the program. The reasons given by DTIS included the risk of maintaining a highly complex and complicated in-house program, the lack of available technical expertise among DTIS staff, and limited resources. In response to this notice, and in anticipation of replacing the system, the San Francisco Ethics Commission Information Technology Office performed a thorough and detailed analysis of the available electronic filing alternatives.

Based on the analysis of San Francisco staff, there is only one vendor (NetFile) that is certified with the Secretary of State and provides a comparable electronic filing system. The required components of a comparable system include electronic filing, a back-office management system, and a web-based search engine. The City Clerk's Office, in collaboration with a technology consultant, has reviewed San Francisco's findings and supports the validity of the results.

As support services for the current system will end in July, and conversion to a new system will take approximately four months, time is of the essence in securing a replacement system. It is the City Clerk's goal that the new system be in place, and that all parties be fully trained on the new system in time for the upcoming filing periods and election cycle.

In addition to an electronic filing system for campaign disclosure statements, NetFile also provides electronic Statement of Economic Interests (SEI) Form 700 filings. As procuring both systems concurrently will provide the City with a 10% discount on the SEI component, procurement of both systems is recommended. The timing of the SEI component will allow the system to be operational and training to occur in time for next year's annual SEI Form 700 filing.

The campaign disclosure system has been successfully deployed in the cities of Santa Clara, San Jose, Anaheim and San Diego, as well as in the counties of Santa Clara, San Bernardino, and Alameda. On April 9, 2007 the San Francisco Ethics Commission approved NetFile as the vendor who would replace their in-house on-line campaign filing system. Additionally, the economic interest statement filing system has been successfully deployed in the City of San Diego and County of San Bernardino.

RESOLUTION NO.

Adopted by the Sacramento City Council

Date

AUTHORIZE CITY MANAGER TO EXECUTE A CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT WITH WESTCOAST ONLINE INFORMATION SYSTEMS DBA NETFILE TO PROVIDE AN ELECTRONIC CAMPAIGN DISCLOSURE STATEMENT AND STATEMENT OF ECONOMIC INTERESTS FORM 700 FILING SYSTEM IN AN AMOUNT NOT TO EXCEED \$63,400

BACKGROUND:

- A. On July 1, 2007 the City/County of San Francisco Department of Telecommunications and Information Systems will no longer support the on-line campaign filing system that the City of Sacramento purchased from San Francisco in 2001.
- B. The City of Sacramento does not have the funding, technical recourses, nor desire to take over a technically obsolete program; therefore, the current system should be abandoned.
- C. The City of Sacramento desires to continue providing electronic filing for campaign disclosure statements.
- D. The City of Sacramento desires to expand the electronic filing system to include statement of economic interest forms.
- E. City staff has identified NetFile as the only available provider of an electronic filing system that also provides a back-office management system and web-based search component.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to execute an agreement with Westcoast Online Information Systems dba NetFile for electronic campaign disclosure and statement of economic interests form 700 filings, with an administrative back-office component, and web-based reach capabilities in an amount not to exceed \$63,400.
- Section 2. The agreement provides for an initial term of two (2) years, with the option to extend for additional one year terms, up to a total agreement term of five (5) years. The City Manager may authorize such extensions for the annual not to exceed amount of \$31,700 per year provided that sufficient funds are available in the Clerk's Automation CIP and operating budget for the applicable fiscal year.