

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: August 27, 2024

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Terence Acquah, Assistant Village Manager

Topic: Approval of Granicus Agreement

PURPOSE:

The Village utilizes SmartGov software that is owned by Brightly Software of Cary, NC. This software is designed to enhance the efficiency of contractor registration as well as the building application and permitting process for Village staff, contractors, vendors, and residents. Brightly Software and the SmartGov software was recently purchased by Granicus, LLC of Denver, CO. To continue with use of the software, Granicus is requiring their users to enter into new software “use” agreements. Staff requests that the Village Board waive competitive bidding due to Granicus being the sole source provider of SmartGov. The approval of this agreement requires Board approval.

PROCESS

In 2022, the Village transitioned from a paper-driven process for building permits to a cloud-based digital platform with the company Dude Solutions of NC, owner and provider of the SmartGov software. SmartGov is a software for permitting, compliance, and licensing tasks designed to revolutionize the way governments interact with citizens and businesses. By centralizing workflows on a user-friendly platform, SmartGov offers a multitude of benefits that include:

Efficiency: eliminates the need for multiple logins and paper-based processes, allowing citizens and contractors to easily apply, track, and pay for permits and licenses online.

Improved Citizen Experience: citizens can interact with their government in a more convenient and transparent manner. The user-friendly portal allows for easy application submission, status tracking, and communication with relevant departments.

Increased Revenue and Compliance: SmartGov streamlines the permitting and licensing process, leading to faster application processing and improved revenue collection. Automated reminders for renewals and fees ensure timely payments, while robust compliance checks minimize the risk of errors or violations.

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In 2022, Village staff was able to negotiate an agreement that secured the use of SmartGov for four (4) years at \$19,510 a year. The yearly cost of the software would increase 5% every year until the end of the contract. This competitive pricing was made possible by Dude Solutions' participation in the Sourcewell Cooperative Purchasing program.

While the Village was completing training and preparing to launch SmartGov to the general public, Dude Solutions, the original owner of the software, was sold to Brightly Software based in Cary, NC. In 2024, Granicus, a software company located in Denver, CO, acquired SmartGov. As part of this acquisition, Granicus requested that the Village sign a new contract to comply with their terms and conditions.

Since Granicus is not a member of the Sourcewell purchasing cooperative, they were unable to match the pricing previously offered by Brightly. Initially, Granicus proposed a five-year agreement at an annual cost of \$21,918.95, along with a 7% increase each year to continue using SmartGov. However, staff managed to secure a revised five-year agreement that reduced the annual fee for Fiscal Year 2024-2025 to \$21,509.25, with a 3% increase each year. To place the cost of this valuable software automation in context, the Village received \$240,930 in revenue in FY 2023-2024 from contractor registration fees and building permit fees.

OUTCOME

The Village can continue using SmartGov at slightly increased cost (roughly \$1,000 per year increase), compared to the original agreement established in 2022.

FINANCIAL IMPACT

- **Funding Source:** General Fund
- **Budgeted Amount:** Fiscal Year 2024-2025 \$22,000.00
- **Cost:**

| <u>Fiscal Year</u> | <u>Annual Cost</u> |
|--------------------|--------------------|
| 2024-2025 | \$21,509.25 |
| 2025-2026 | \$22,154.53 |
| 2026-2027 | \$22,819.17 |
| 2027-2028 | \$23,503.74 |
| 2028-2029 | \$24,208.85 |

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Waive competitive bidding due to Granicus, LLC being the sole source provider of SmartGov software; and, approve a five-year agreement with Granicus, LLC of Denver, CO for SmartGov software in the amount of \$21,509.25, with a 3% increase each year for five (5) years.

ATTACHMENT(S)

Agreement