



AGENDA REPORT

City Clerk's Office

DATE:	May 17, 2022
TO:	Mayor Butt and Members of the City Council
FROM:	Pamela Christian, City Clerk
SUBJECT:	NetFile, Inc. Third Contract Amendment for Electronic Filing Services
FINANCIAL IMPACT:	The estimated funds required for the subject contract amendment have been allocated and/or projected in the City Clerk's departmental operating budget under account string number 01141013-400209 for an amount of \$13,000 per year for fiscal years 2022-2023 through 2026-2027.
PREVIOUS COUNCIL ACTION:	September 15, 2015 and September 19, 2017.
STATEMENT OF THE ISSUE:	Pursuant to the provisions of the Political Reform Act and Fair Political Practice Commission (FPPC) regulations, the city clerk is responsible for administering the annual reporting of the Statements of Economic Interest (Form 700) and campaign statements (Form 460, etc.). The FPPC accepts electronic filing (e-filing) of the Form 700, as well as other campaign statements, i.e, Form 460. Currently, the City of Richmond's Form 700 filings and campaign statements are filed electronically utilizing services provided by NetFile, Inc. E-filing expedites the processing of all FPPC required forms, reduces paper, and improves overall administrative efficiency.

RECOMMENDED ACTION:	APPROVE a third contract amendment with NetFile, Inc. to provide professional services for electronic filing and administration of Fair Political Practice Commission campaign statements (Form 460, etc.) and Statements of Economic Interest (Form 700), extending the term by five years to June 30, 2027, and increasing the contract amount by \$65,000 effective July 1, 2022, for a total contract amount not to exceed \$138,750 – City Clerk’s Office (Pamela Christian 510-620-6513).
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DISCUSSION:

Form 700 filers are required to file annually and upon assuming and leaving office with the city clerk. Campaign statement filers are required to file quarterly, semi-annually, and annually. The NetFile e-filing system has enabled required filers to paperlessly file their Form 700 and campaign statements electronically and provides a repository of filers and a record of filings. The City Clerk’s Office has the ability to easily track filers, manage filing submittals, run status reporting, and automatically publish statements to a public portal for transparency.

On September 15, 2015, the City Council approved a three-year contract with NetFile, Inc. for Form 700 e-filing and administration services, commencing on October 1, 2015, in the amount of \$21,000. The City Council’s approval at that time did not include e-filing services for campaign statements.

On September 19, 2017, the City Council approved the first contract amendment with NetFile, Inc. increasing the scope of services to include e-filing and administrative services for campaign statements (Form 460, etc.), extending the term by two years to September 30, 2020, and increasing the contract amount by \$35,000 not to exceed \$56,000, with the option of two, one-year extensions.

On August 5, 2020, the city manager executed the second amendment (exercising the two, one-year extensions option) extending the term by two years to June 30, 2022, and increasing the contract amount by \$17,750 not to exceed \$73,750.

NetFile, Inc. is currently used by over 270 other local government agencies in California including Berkeley, Hayward, Livermore, Oakland, Palo Alto, Sacramento, San Francisco, San Jose, and San Leandro.

To continually improve administrative and filing efficiency, City staff is requesting the City Council approve the third contract amendment with NetFile, Inc. for e-filing and administration services for Form 700 and campaign statements. NetFile, Inc. has agreed to discount pricing and a guaranteed rate for up to five years.

DOCUMENTS ATTACHED:

Attachment 1 - Proposed Third Contract Amendment

Attachment 2 - Original Contract with First and Second Amendments