CLARK COUNTY
STAFF REPORT

DEPARTMENT: Assessor's Office

DATE: November 14, 2016

REQUESTED ACTION:
Include the action, timelines, etc.

_____ Consent _____ Hearing X County Manager

Requesting the signature of County Manager Mark McCauley so the Assessor's Office and Data Cloud Solutions, LLC (DCS) can enter into a contract for sketch conversion services.

BACKGROUND
Several years ago the Assessor's Office upgraded mass appraisal (CAMA) systems, known in our office as PACS. The provider of the PACS system was not able to convert thousands of property sketches from the legacy system. As a result, nearly 100,000 sketches remain unconverted in the legacy format (DC Sketch). Converting these sketches manually would require the manual redrawing of every sketch. It would take one fulltime employee several years to complete the conversion. The CAMA/PACS solution provider (Harris) gave the Assessor's Office consent to work with a third party company (DCS, or Data Cloud Solutions) in order to find an automated solution to the sketch conversion problem. DCS was selected because they have completed contracted project work on behalf of Harris for Clark County in the past. DCS developed a software solution which allows appraisers to be able to access and update appraisal information from the field, through PACS Mobile equipped devices.
DCS has unlocked the code from the legacy sketch system (DC Sketch) and has the ability to convert legacy sketches into the current RapidSketch, and/or CAMA/PACS. The Assessor's Office and DCS have been working together towards an agreement since 2014, and is now submitting that agreement for approval to the county manager.

COUNCIL POLICY IMPLICATIONS
This action does not have council policy implications, and is using existing budgeted funds without request for additional funds.

ADMINISTRATIVE POLICY IMPLICATIONS
This action does not have administrative policy implications.

BUDGET IMPLICATIONS

| YES	NO	
X		Action falls within existing budget capacity.
	X	Action falls within existing budget capacity but requires a change of purpose within existing appropriation
	X	Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager.

BUDGET DETAILS

Local Fund Dollar Amount	$75,000
Grant Fund Dollar Amount	0
Account	General fund 0001 (15/16) and Technology Reserve Fund 3194 (17/18)
Company Name	Data Cloud Solutions, LLC

DISTRIBUTION:
Board staff will post all staff reports to The Grid. http://www.clark.wa.gov/thegrid/

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Nick Deatherage
Senior Management Analyst
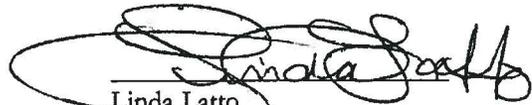
Linda Latto
Chief Deputy Assessor

APPROVED:_____
CLARK COUNTY, WASHINGTON
BOARD OF COUNTY COUNCILORS

DATE: _____

SR#_____

APPROVED:_____
Mark McCauley, County Manager

DATE: ___11/22/16___

BUDGET IMPACT ATTACHMENT

Part I: Narrative Explanation

I. A – Explanation of what the request does that has fiscal impact and the assumptions for developing revenue and costing information

This request will authorize the Assessor's Office to pay a DCS, a third party for the services of sketch conversion. The agreed upon charges has been on an estimated per sketch basis. The agreed upon service price has been part of the ongoing communication, solution development, and negotiations between the Assessor's Office and DCS, since 2014.

Part II: Estimated Revenues

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
No Revenue						
Total						

II. A – Describe the type of revenue (grant, fees, etc.)

Revenues will not be generated as a result of this project.

Part III: Estimated Expenditures

III. A – Expenditures summed up

Fund #/Title	FTE's	Current Biennium		Next Biennium		Second Biennium	
		GF	Total	GF	Total	GF	Total
0001 General Fund		$37,500					
3194 Technology Reserve Fund				$37,500			
Total		$37,500		$37,500			

Anticipated expenses are $37,500 set aside in Assessor's Office 2015-2016 controllables, with the remainder being paid out of technology money set aside in the technology reserve fund during the 2017-2018 biennium. This will not require a supplemental budget request, the fund are currently available.

III. B – Expenditure by object category

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables	$37,500		$37,500			
Capital Outlays						
Inter-fund Transfers						
Debt Service						
Total	$37,500		$37,500			

SKETCH CONVERSION and
RELATED PROFESSIONAL SERVICES
AGREEMENT

This Professional Services Agreement ("Agreement") is made as of the effective date specified in this Agreement by and between Data Cloud Solutions, LLC ("DCS") an Ohio Limited Liability Company having a principal place of business at 2 West Columbia Street - Suite 220, Springfield, Ohio 45502 and the Clark County Assessor's Office, 1300 Franklin St # 2, Vancouver, WA 98660 ("Clark County"). Collectively, DCS and Clark County shall be known as the Parties.

RECITALS

WHEREAS Clark County, pursuant to Washington state law, is responsible for uniform and accurate real estate assessments according to fair market value, and

WHEREAS Clark County has acquired and implemented a number of technology based resources for improved and more cost-efficient performance of assessment demands and responsibilities, and

WHEREAS Clark County has a plan for the discovery and valuation of new construction, scheduled appraisal updates, and on-going equalization based upon the accurate collection and recording of real estate building areas via digital sketches without requiring manually re-sketching such areas from a legacy sketch product, and

WHEREAS Clark County wishes to have such legacy sketches batch converted to the current PACS/RapidSketch format for an integrated and synchronized mobile environment for onsite property data verification and correction, and new construction data collection, and

WHEREAS DCS is engaged in the business of developing and selling **CAMA Cloud^{SM} software**; including MobileAssessor^{SM} (a.k.a., PACS Mobile) and its direct integration with Clark County's RapidSketch application (hereinafter referred to as "Software"), and providing services with respect to the same;

WHEREAS DCS possess the expertise and the resources to perform the professional services as required to meet the herein stated goals and requirements of Clark County.

THEREFORE, IN CONSIDERATION OF THE MUTUAL AGREEMENTS HEREIN CONTAINED, THE PARTIES HERETO MUTUALLY AGREE AS FOLLOWS:

1) **Term.** This Agreement will become effective November 18, 2016 and end on June 19, 2017. This Agreement and Clark County's obligations hereunder shall be conditioned upon approval of this Agreement by the Clark County Board of Commissioners. The services hereunder shall be provided by DCS in accordance with the following schedule:

A. **Conversion of Sketches: 11/21/2016 – 5/10/2017** DCS will create a "sandbox testing area" within CAMA cloud where converted files will initially be stored by DCS without being automatically synced into PACS. Clark County will have the ability to review property records within the cloud "sandbox testing area" via the cloud's Quality Control (QC) module, and give written authorization to DCS to sync these records into "PACS Live" (Assessor's Office active CAMA system & database). Written authorization from Clark County to DCS to sync converted sketches into PACS Live will occur after Clark County has the periods of time outlined below to review. Quality review will consist of Clark County filtering and reviewing converted sketches DCS placed in the cloud testing area. Clark County will review for a variety of sketch errors, and identify files that need to be sent back for further processing. DCS will use a filter within the QC module ("CC Tag") to identify which records have converted sketches, which records require further review, and which other communication is determined to be necessary within that filter. Clark County may also change and modify information in a filter, in order to identify sketches which need to be sent back to DCS for further processing. The "sandbox testing area" will be available for the duration of the Agreement, until June 19, 2017.

B. **Phase 1 DCS will make initial delivery/migration of 10 property records on or before 12/5/2016** with DC sketch files converted & synced into CAMA Cloud sandbox area QC module by DCS.

C. **Clark County will review the initial 10 property records 12/5/2016 – 12/19/16** Range of time to allow Clark County to review testing process, and also certify assessment roll before major testing begins.

D. **Phase 2 DCS will deliver** 50% of to-be-converted DC sketch files, converted and synced into CAMA Cloud sandbox area QC module by DCS **on or before 1/16/2017.** The invoice to begin this milestone will be paid in 2016 as long as initial delivery in step C was acceptable and approved by Clark County.

E. **Clark County will review DCS converted sketches delivered in step D. Clark County will give authorization to sync these converted sketch property accounts into PACS after review and written authorization to DCS. 1/16/17 - 3/1/17** Range of time to allow Clark County to review, send files back to DCS for revision, approve sync into PACS database

F. **Phase 3 DCS delivers remaining 50% of DC sketches and all reconverted sketches previously sent back by Clark County,** and these remaining DC sketches are converted & loaded into CAMA Cloud sandbox area QC module by DCS **on or before 03/24/17.**

G. **Clark County Final Review and Acceptance: 03/24/17 – 05/12/17** (Range of time to allow Clark County to review, send files back to DCS for revision, approve sync into PACS database)

2) **Scope of Services.** DCS shall provide to Clark County professional services regarding the conversion of up to 100,000 sketches from the DC Sketch format to the RapidSketch format, specifically:

1. Clark County will provide DCS an Excel spreadsheet of property identification numbers which Clark County has selected for conversion. DCS will be able to find the corresponding sketch files by Property ID (PID), and only convert those identified on the Excel list provided by Clark County. Currently, Clark County has identified approximately 78,000 PIDs which need sketch conversion.

2. Any sketch saved in DC Sketch version 4.0 through 5.2 that can be opened in version DC Sketch 5.2 will be converted to a PACS/RapidSketch compliant sketch. Clark County expects a 100% conversion rate of sketches selected and delivered to DCS for conversion (excluding any corrupted files that cannot be open in DC Sketch 5.2 and excluding known issues as mentioned in Addendum 1). Converted DC Sketch files can be associated at the property level, or improvement detail level based on criteria identified in this agreement. DCS will provide a report detailing any sketches that did not convert, or any sketches with unknown polygons. Clark County will be given at least one month, or as outlined in the above delivery timeline, whichever is longer, to address those files and send them once again to DCS for revisions.

3. Features or elements supported in DC Sketch but not supported in RapidSketch or PACS will not be converted, and may result in a partially rendered RapidSketch file.

4. DCS understands the many-to-one relationship regarding sketch segment labels and will provide a list of any sketch label (improvement detail code name) DCS is not able to find. DCS will either correct for variations in spelling, or refer the code back to Clark County for a decision.

5. The conversion and migration into PACS will be seamless. The PID with converted sketches will be first delivered by DCS into a "sandbox" cloud environment. The "CC tag" filter within the QC module will be used by DCS to flag PIDs in the cloud for a variety of reasons.

6. DCS will eventually sync properties, per the regular PACS Mobile workflow, to the PACS database resulting in files containing sketches in the RapidSketch format. DCS will identify any tables that may be affected, to assist Clark County with backing up data. This will be done once Clark County has reviewed converted sketches, and given DCS Authorization to do this. Clark County will need at least 1 day to back up our database before this sync happens.

7. Clark County's Information Technology Department will take snapshots and/or make backups of area calculations, values, and tables anticipated to be affected by the DCS conversion process. Backup preparation will be done prior to migration of converted DC Sketch files from the cloud testing area, into Clark County PACS Live. Data will be inspected by Clark County to check for compromises to data. DCS will make the county aware of times converted sketches will be migrated into PACS, and PACS tables anticipated to be affected, to allow Clark County at least 24 hours to backup data. DCS will wait for written notice from Clark County before making any changes to the PACS live database.

8. Clark County accepts that there will be some variance in square footage as sketches are converted into the RapidSketch format. The acceptable variance is defined as 10% of the area of the improvement, or 100 square feet. If the variance is less than either one of these parameters, the sketch will be associated at the improvement-detail level. If a sketch is outside of both of these parameters, but still converted, DCS will be place it at the property-level within PACS. Acceptable variances may change during the review and testing phase of this project. This will only occur if Clark County agrees to the acceptable variance change in writing.

9. Sketches converted and placed at the improvement level by DCS will not drive value

automatically. Clark County does not want square footage of a property to be driven by converted sketches immediately following conversion, whether they are within acceptable tolerances or not. The "AREA" radio button in the improvement detail should remain selected ([imprv_detail.imprv_det_area_type] should equal "C"), indicating that the converted sketch is not driving value. Clark County will send a screen shot of this area within the improvement detail to DCS upon request if clarification is needed.

10. Any time converted DC Sketch files are delivered to the cloud test area, DCS will generate reports in order to facilitate verification of a successful conversion. These reports will show square footage differences, identification of unconverted files, identification of files that were converted but were migrated into the "property-level" of PACS, and other information as it is discovered throughout the project. Clark County will use these files for testing, and to identify files to send back to DCS for further processing. The County is not obligated to respond to all reports sent by DCS.

11. Clark County will identify files that need further correction, based on county review staff standards; and DCS will remedy any issue Clark County discovers during the review stages outlined in Sections 1)A through 1)G above, in accordance with the parameters and conditions set forth in Section 2. Issues will be communicated to DCS, and may be sent back as many times as necessary for the Clark County to approve of either the conversion or DCS's explanation for any questioned conversions.

Any professional services in excess of the amounts described in this Agreement shall be billable by DCS to Clark County on a time and materials basis, as may be needed and only as preapproved in writing by Clark County.

3) **Professional Fees for Software Conversion Services.** All software data conversion services set forth in this Agreement shall be completed for a sum not to exceed **$75,000.00** payable in four installments based upon the payment terms and allocations outlined below.

a) All bills properly rendered shall be due within thirty (30) days of the date of the invoice. Any bill unpaid after thirty (30) days shall be subject to a one percent (1%) per month interest rate for each month or part thereof that the bill remains unpaid.

i) An initial down payment of 10% for the initial start to conversion - **$7,500** ($75,000 x 10% = $7,500) shall be invoiced by DCS upon execution of this Agreement.

ii) 40% of fees **$30,000** ($75,000 x 40% = $30,000) shall be invoiced on or before 12/19/2016 upon approval after initial review of 10 sketches delivered by DCS to Clark County via cloud sandbox testing area.

iii) 40% of fees **$30,000** ($75,000 x 40% = $30,000) shall be invoiced upon approval after review of the first 50% of sketches which are schedule to be available in the cloud testing environment **on or before 1/16/2017,** and successfully syncing these sketches from the cloud test environment into PACS LIVE; Clark County will be invoiced no sooner than March 1, 2017.

iv) The final 10% of Software fees - **$7,500** ($75,000 x 10% = $7,500) shall be invoiced within 15 days after the first day of Clark County Final Review and Acceptance referenced in Section 1g) above, or no sooner than May 12, 2017 unless otherwise approved by Clark County.

4) **Reimbursement of Expenses.** DCS shall be responsible for all direct expenses of DCS with regard to its performance of all its services, maintenance and support, and any provision for hardware itemized in the Purchase Order under this Agreement, including travel,

lodging and per diem expenses; with exception for any support or professional services in excess of any of the hours/days/licenses as contemplated by this Agreement shall be billable by DCS to Clark County on a time and materials basis, as may be needed and only as preapproved by Clark County. DCS will make Clark County aware of all potential charges for services outside of this agreement, and Clark County will decide if it wants to purchase the services.

5) **Governing Law.** This Agreement shall be governed by the laws of Washington without regard to its conflicts of laws provisions. The Superior Court sitting in Clark County, Washington shall have the exclusive jurisdiction and venue over any claim or lawsuit arising from or relating to this Agreement.

6) **Non-Waiver by Parties.** No act or omission by either party shall be construed as constituting or implying a waiver by the other party of any default hereunder or of any breach or non-observance of the provisions hereof or as a surrender of any of the rights of either party resulting therefrom, unless expressly consented to in writing by the party waiving such right.

7) **Confidentiality.** Subject to the requirements of the Washington Public Records Act, Chapter 42.56, RCW, the parties agree to hold each party's confidential information (which information if confidential must be labeled as such) in strict confidence and to take reasonable precautions to protect such confidential information unless the party whose confidential information is disclosed has authorized disclosure in writing. Clark County shall not be in breach of this Agreement, in the event Clark County is required by law, court order or enforceable subpoena to turn over any information, software or other data that is otherwise labeled as confidential in accordance with this Section. However each party will give the other party written notice within three (3) business days of its receipt of any request, order, or subpoena, for confidential information to allow the other party to seek whatever protections it deems advisable against such disclosure

8) **Severability.** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be unenforceable, illegal or otherwise invalid in any respect under the laws governing this Agreement or its performance, such unenforceability, illegality or invalidity shall not affect any other provisions of this Agreement and this Agreement shall then be construed as if such unenforceable, illegal or invalid provisions had never been contained herein.

9) **Amendments.** This Agreement may not be modified or changed in any respect whatsoever except by written amendment signed by each party.

10) **Designated Representative.** Any notice that must or may be given under this Agreement must be communicated in writing at the following addresses:

Person in charge of this project who will be available, knowledgeable, and authorized to execute binding agreements on behalf of DCS, and person who is the point of contact for this project at Clark County:

DCS: Daniel T. Anderson
President, Data Cloud Solutions
PO Box 2194

Clark County: Nick Deatherage
Senior Management Analyst
1300 Franklin Street, 2nd Floor

Springfield, OH 45501   Vancouver, WA 98666

E-mail: dandeson@datacloudsolutions.net   E-mail: nick.deatherage@clark.wa.gov

11) Entire Agreement. The present Agreement, attached Schedules, and/or Purchase Orders constitutes the full and complete understanding and agreement of DCS and Clark County and supersedes all prior negotiations, understandings and agreements pertaining to the subject matter of this Agreement. This Agreement may be supplemented by one or more Purchase Orders, which will be deemed to be part of this Agreement when signed by each party.

Remainder of this page intentionally left blank.

THE PARTIES HEREBY AGREE TO ALL OF THE ABOVE TERMS AND HAVE EXECUTED THIS AGREEMENT BY A DULY AUTHORIZED REPRESENTATIVE.

EFFECTIVE DATE: November 17, 2016

Data Cloud Solutions, LLC   Clark County

By :Daniel Anderson   By: Mark McCauley
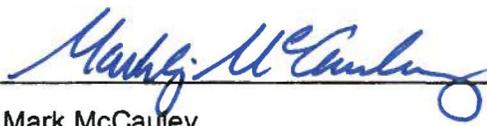
President   County Manager

Approved as to form only:

ANTHONY F. GOLIK,
Clark County Prosecuting Attorney

By: Christine M. Cook
Senior Deputy Prosecuting Attorney

ADDENDUM 1
CURRENT KNOWN ISSUES/CONSIDERATIONS

The following details are provided to Customer so they are aware of the complexities faced and accept that not all features or components from all sketches can be converted into PACS/RapidSketch.

Each section of data within DC Sketch is an entirely separate entity. Within a section, there are just lines, arcs, text blocks and segregations (calculated areas), with no structure to tie them together into polygons and associated labels. DC Sketch doesn't care that the label 'Room A' was placed inside a rectangle, it just stores the 4 lines with their start and end points and the text block for 'Room A'. Nothing ties those various entities together inside the file. There's no linked list saying line 2 follows line 1, nothing to say lines 1-4 all belong to a closed area. There's nothing to link the label 'Room A' to those lines. When DC Sketch reads the file back in, it just puts everything back in the same position on the canvas, because for the most part, it's just a human readable drawing. The exception is that when it loads the file, it does determine closed areas because it can give the area report. And also, if you try to make an area a segregation, it knows if it's not a closed polygon and refuses to make the segregation. So, these are the things that may cause the converted sketch data to differ from data viewed or contained in DC Sketch, RapidSketch, and/or CAMA/PACS.

1. If the DC Sketch creator had put more than one label in a polygon, the DCS conversion routine may pick a label different than what Customer would have desired. There is a hierarchy of rules to predict the most likely label but as the label isn't explicitly linked to the polygon, it may fail to choose the desired label on occasion.

2. If there are additional 'notes'/annotation type labels, they're not going to carry across into RapidSketch or CAMA.

3. Concave polygons may end up with the incorrect label, especially if the origin of the label is not inside the polygon.

4. Unclosed polygons will tend to look a bit messy in RapidSketch/CAMA because the conversion process requires that each line become a separate section (since there are no point to connect); each section will have a generic label/number and show the area calculation as zero.

   a. Note that if the segregations switch/option is not chosen, the orphan lines and annotated segregations are left out/ignored/not converted. Meaning, the Customer can choose if they want the sketches converted to include orphaned lines and annotated areas – or to exclude orphaned lines and annotated areas (one of the other, not both options). It is recommended that the conversion process exclude the orphaned lines and annotated areas, as those areas are for informational purposes only and have no area calculation or detail records inside of CAMA.

   b. Circles are always treated as a segregation because they can't be connected to any other polygon. Theoretically, if there were a circular room that should count as living area, it won't be included in the output if the segregation switch/option is not chosen at the time of conversion. DCS would be willing to convert sketches both ways for sketches containing circles, if such sketches can be identified.

5. Based upon the successful conversion of 83 test files, which contained highly complex sketches, DCS estimates that at least 98% of all sketches provided by Customer as referenced in this Agreement shall convert without issue. Items 1 through 4 above shall not count towards the 2% acceptable conversion rate variance.