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File created:	12/20/2024	In control:		Board of Commissioners	
On agenda:	1/9/2025	Final action:		1/9/2025	
Title:	INFORMATION TECHNOLOGY TAX SYSTEM RENEWAL				
Attachments:	1. Guilford NCPTS Support Quote 2025-26.pdf , 2. Bid Justification Waiver Form Farragut-90003935-FY25-26 fc 450k.pdf , 3. Farragut Inc 90003935 preaudit renewal.pdf				

History (0) Agenda Cover

TITLE

title

INFORMATION TECHNOLOGY TAX SYSTEM RENEWAL

end

SPONSOR

sponsor

Peter Purcell

end

BACKGROUND

background

The North Carolina Property Tax Solution (NCPTS) is a resource available to counties to streamline and optimize all aspects of the property tax process. It is built on software developed by a North Carolina-based company, Farragut, and includes many beneficial features:

- (1) Consistent application of property tax law by NCPTS counties through best business practices
- (2) Intuitive system based on established best practices and standards
- (3) Automated appraisals, billing and collections allow county staff to effectively administer the property tax process
- (4) Thorough training and maintenance support
- (5) Collaborative nine-member Oversight Committee that serves to continuously improve NCPTS and promote best practice sharing among member counties

(6) Proactive consultation and legislative monitoring of tax-related developments by David Baker, NCACC Director of Tax and Revenue Outreach and former Director of the Local Government Division of NC Division of Revenue.

On April 7, 2022, the Board authorized staff to enter into a three-year sole source maintenance contract with Farragut System Inc., (NCPTS tax application vendor) in the amount of \$201,400 annually, totaling \$604,200 over a three-year term, beginning May 1, 2022 for the purpose of maintaining the current Tax Applications. The one-year renewal amount is estimated at \$219,526, an increase of \$18,126, with Tax B&C support at \$109,763 and LRC support at \$109,763.

On January 19, 2023, the Board authorized staff to amend the prior contract to incorporate Cloud Service and related fees in the amount of \$418,375 over the remaining term of the prior contract. After the initial term, the Cloud Service annual fee may be adjusted by Farragut each year by not more than 5%. The Cloud Service will automatically renew coincident with County executed Tax Application renewals unless either party provides written notice to the other party of its intent to terminate this Cloud Agreement at least ninety (90) days prior to the end of the then-current term. Cloud Support renewal is estimated at \$225,225, an increase of \$10,725 (5%).

This agenda item requests Board approval to approve a one-year renewal, in substantial form, for Tax B&C support, LRC support, and Cloud support for a total amount of \$444,751 upon expiration of the initial term ending on April 30, 2025, to provide certain products and services as outlined in the contract documents and authorize staff to take all reasonable actions to finalize and execute said renewal.

end

BUDGET IMPACT

budget impact

NO ADDITIONAL COUNTY FUNDS REQUIRED

end

REQUESTED ACTION

requested action

Approve a one-year renewal, in substantial form, for Tax B&C support for \$109,763, LRC support for \$109,763, and Cloud support for \$225,225, for a total amount of \$444,751 upon expiration of the initial term ending on April 30, 2025, to provide certain products and services, as outlined in the contract documents and authorize staff to take all reasonable actions to finalize and execute said renewal.

end



GUILFORD COUNTY CONTRACT NO. 90003935
Parent Contract No. 3935

THIS CONTRACT RENEWAL is hereby made, entered into, and effective as of May 1, 2025, by and between GUILFORD COUNTY, a body politic and corporate of the State of North Carolina, hereinafter referred to as the "COUNTY," and **FARRAGUT SYSTEMS, INC.**, hereinafter referred to as the "CONTRACTOR," and also collectively referred to as the "Parties."

W I T N E S S E T H:

WHEREAS, the Parties entered into a CONTRACT on May 1, 2022, whereby the CONTRACTOR agreed to provide the following goods and/or service(s) to the COUNTY: Annual Maintenance for NCPTS B&C and LRC; and

WHEREAS, the Parties amended the CONTRACT on May 1, 2023, whereby NCPTS Tax Cloud Services were added to the CONTRACT;

WHEREAS, the initial Contract was for three (3) years with the option to renew, and may be revised or modified with a written Contract executed by both Parties; and,

WHEREAS, the Parties now wish to modify the terms of the Contract by extending the Contract period from May 1, 2025, through April 30, 2026.

NOW, THEREFORE, the Parties mutually agree that, as of the effective date of this Contract, the following changes are hereby made to the initial Contract as follows:

1. CONTRACT TERM. Unless terminated as provided herein, the effective period of this Contract is hereby extended from May 1, 2025, through April 30, 2026, under the same terms and conditions as set forth in the initial contract, as revised herein. All goods and/or services will be provided in a competent and professional manner acceptable to the COUNTY.

2. GOODS AND/OR SERVICES AND CHANGES. The Parties hereby agree that the goods and/or services provided by the CONTRACTOR to the COUNTY hereunder will remain the same as included in the initial Contract and as referenced in Attachment A, except as revised by written Contract executed by the Parties.

3. PRICING. As full consideration for the CONTRACTOR'S delivery of the goods and/or services, the COUNTY agrees to pay the amounts as listed in the initial Contract and as stated in this Contract, as applicable.

4. PAYMENT. Payment will be made to the CONTRACTOR by the COUNTY within thirty (30) days of receipt of a correct, itemized invoice and proper documentation that the goods and/or services have been delivered or provided in accordance with this Contract.

5. MAXIMUM EXPOSURE CONTRACT. The maximum financial exposure to the COUNTY under this Contract will not exceed \$444,751.00. Payment will be made only from budgeted funds in accordance with N.C. Gen. Stat. §159.

6. APPROPRIATION. This Contract is subject to annual appropriation of funds by the Guilford County Board of Commissioners or other funding source, pursuant to N.C. Gen. Stat. §153A-13.

7. AMENDMENTS. The terms of this Agreement may only be modified or revised with a written Contract executed by both Parties.

8. TERMINATION.

TERMINATION FOR CONVENIENCE.

COUNTY may terminate this Contract without cause or penalty upon serving a 180 day written notice to the CONTRACTOR. Subject to this Contract's provisions regarding breach, all goods and/or services provided and accepted as of the date of termination will be paid; similarly, amounts paid in advance, if any, for which goods and/or services have not been provided and accepted by COUNTY will be promptly refunded to COUNTY by CONTRACTOR within thirty (30) days of date of termination of this Contract.

TERMINATION FOR CAUSE.

If CONTRACTOR fails to fulfill its obligations under this Contract in a timely and/or proper manner ("breach"), either in whole or in part, and such breach continues for a period of more than ten (10) days after COUNTY has notified CONTRACTOR of such breach, COUNTY shall have the right to terminate this Contract immediately thereafter by giving written notice to the CONTRACTOR specifying the effective date thereof. In that event, without limiting COUNTY's remedies for breach, any or all finished and/or unfinished deliverables prepared by the CONTRACTOR under this Contract shall, at the option of the COUNTY, become COUNTY property and CONTRACTOR shall be entitled to receive just and equitable compensation for any satisfactory work completed and accepted on such deliverables, minus any payment or compensation previously made, and subject to any applicable setoff(s).

9. BREACH. If, through any cause, CONTRACTOR or COUNTY ("the breaching party") shall fail to fulfill its obligations under this Contract in a timely and/or proper manner ("breach"), either in whole or in part, and such breach has continued for a period of more than ten (10) days after the other party ("the non-breaching party") has notified the breaching party of such breach, in addition to the right to terminate the Contract upon notice to the breaching party, the non-breaching party shall have all legal, equitable, and administrative rights available under applicable law. Without limiting other remedies, where COUNTY is the non-breaching party COUNTY may: Withhold any payment due CONTRACTOR for the purpose of setoff until such time as the exact amount of damages due COUNTY from such breach can be reasonably determined (at which time that amount shall be deducted from any payment(s) otherwise due to CONTRACTOR) and/or procure the contracted for services or goods from other sources and hold CONTRACTOR responsible for any excess cost occasioned thereby. The filing of a petition for bankruptcy by CONTRACTOR shall constitute an act of breach under this Contract.

10. FEDERAL FUNDING – UNIFORM GUIDANCE. The Parties agree that when utilizing federal funding in the performance of this Agreement, the Parties shall comply with all applicable provisions of 2 C.F.R. §200.326 and 2 C.F.R. Part 200, Appendix II, (Uniform Guidance), including, but not limited to: The Equal Employment Opportunity Clause (41 C.F.R. Part 60); Davis-Bacon Act (40 U.S.C. 3141-3148); Copeland "Anti-Kickback" Act (40 U.S.C. §3145, as supplemented by Department of Labor (DOL) regulations, 29 C.F.R. Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"); Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708, as supplemented by DOL regulations at 29 C.F.R., Part 5. See 2 C.F.R. Part 200, Appendix II(E); Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251-1387); Debarment and Suspension (Executive Orders 12549(1986) and 12689(1989) at 2 C.F.R. Part 180 and the DHS' regulations at 2 C.F.R. Part 3000 (Nonprocurement Debarment and Suspension); Byrd Anti-Lobbying Amendment (31 U.S.C. 1352); Procurement of Recovered Materials (2 C.F.R. Part 200, Appendix II(J) and §200.322); Rights To Inventions by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements (37 C.F.R. Part

401); Record Retention Requirements (2 C.F.R. §200-324); and subsequent amendments, which are incorporated herein by reference.

11. PRIOR AGREEMENTS. All other provisions of the initial Contract and subsequent modifications and revisions, are hereby ratified and shall continue in full force and effect without change, unless and until revised upon mutual written Agreement of the Parties, or terminated as provided herein.

12. JURISDICTION. The Parties agree that this Contract is subject to the jurisdiction and laws of the State of North Carolina. The CONTRACTOR will comply with bid restrictions, if any, and applicable laws, including N.C.G.S. §143-129(j) regarding E-Verify. Any controversies arising out of this Contract shall be governed by and construed in accordance with the laws of the State of North Carolina.

(The remainder of this page is intentionally left blank.
This Contract continues with signatures on the following page.)

WITNESS the following signatures and seals all pursuant to authority duly granted, effective as of the day and year first above written.

GUILFORD COUNTY



Jason Jones

1/13/2025 | 2:38 PM EST

Date

Assistant Guilford County Manager

ATTEST:



Robin B. Keller

1/14/2025 | 9:29 AM EST

Date

Guilford County Clerk to Board

FARRAGUT, INC.

ATTEST:

Signed by:

Neil Herding

12/20/2024 | 4:44 PM EST

DEE290534290423...

Date

Title: Operations and Customer Experience Executive

Witness

Print Name: Neil Herding

Dustin Stout

12/20/2024 | 4:46 PM EST

Date

Print Name: Dustin Stout

This instrument has been preaudited in
the manner required by the Local Government Budget
and Fiscal Control Act.

Signed by:



500E5CAA30F9436

Donald P. Warn

1/13/2025 | 9:25 AM EST

Date

Guilford County Chief Financial Officer

DS
PP

Peter Purcell IT Department Director / Designee

ATTACHMENT A

FARRAGUT™

Farragut Systems
2775 Meridian Parkway
Durham, NC 27713
Phone: 919-572-0901
Web: www.farragut.com

Date	Quote Number
12/17/2024	Q20240722