



COUNTY OF HUMBOLDT

For the meeting of: 1/7/2025

File #: 24-1638

To: Board of Supervisors

From: Auditor-Controller

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:

Second Amendment to the Software Services Agreement with Fifth Asset, LLC

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize the Purchasing Agent, or a designee thereof, to execute, the attached second amendment to the software agreement with Fifth Asset, LLC which expands the scope of services provided thereunder for a total contract amount of One Hundred Twenty-One Thousand Dollars (\$121,000.00) for the period of November 17, 2023 through November 16, 2027; and
2. Authorize the Purchasing Agent, or a designee thereof to execute any and all subsequent amendments, and other documents directly related to, the software services agreement with Fifth Asset, LLC, after review and approval by County Counsel, Risk Management and the County Administrative Office.

STRATEGIC PLAN:

The recommended actions support the following areas of the Board of Supervisors' Strategic Plan:

Area of Focus: Workforce & Operational Excellence

Strategic Plan Category: 3001 - Support a well-trained workforce

DISCUSSION:

On November 17, 2023, the County of Humboldt entered into an agreement with Fifth Asset, LLC, doing business as DebtBook, to provide lease accounting software for the purpose of assisting the Humboldt County Auditor-Controller's Office with complying with the requirements of Government Accounting Standards Board ("GASB") Statement 87. Fifth Asset, LLC was selected after a series of demonstration and quotations with several vendors and discussions with Auditor-Controllers from several counties throughout the north coast region. The software services agreement with Fifth Asset, LLC had an initial maximum amount payable of Forty-Two Thousand Dollars (\$42,000.00) for the period of November 17, 2023 through November 16, 2026.

On October 16, 2024, the County of Humboldt and Fifth Asset, LLC amended the software services agreement to include implementation of GASB Statement 96 tracking software at no additional cost. The attached second amendment to the software services agreement with Fifth Asset, LLC will expand services provided thereunder to include the debt and bond management module for an additional cost of Seventy-Nine Thousand Dollars (\$79,000.00). This module will serve to track bonds issued by other agencies that must be maintained in the County of Humboldt's treasury. Both the Treasurer-Tax Collector's Office and the Auditor-Controller's Office have responsibilities related to these bonds. Use of the debt and bond management module provided by Fifth Asset, LLC will enhance the efficiency and accuracy of County of Humboldt operations.

Accordingly, the Auditor-Controller's Office and the Treasurer-Tax Collector's Office recommend that the Board approve, and

authorize the Purchasing Agent, or a designee thereof, to execute, the attached second amendment to the software services agreement with Fifth Asset, LLC. It is also recommended that the Board authorize the Purchasing Agent, or a designee thereof, to execute any and all subsequent amendments, and other documents directly related to, the software services agreement with Fifth Asset, LLC, after review and approval by County Counsel, Risk Management and the County Administrative Office, in order to avoid any unnecessary delays in the provision of needed services.

SOURCE OF FUNDING:
General Fund (1100-109; 1100-111)

FINANCIAL IMPACT:

Expenditures (1100-109; 1100-111)	FY24-25	FY25-26 Projected*	FY26-27 Projected*
Budgeted Expenses	\$28,000.00	\$18,000.00	\$47,500.00
Total Expenditures	\$28,000.00	\$18,000.00	\$47,500.00
Funding Sources (1100-109; 1100-111)	FY23-24	FY24-25 Projected*	FY25-26 Projected*
General Fund	\$28,000.00	\$18,000.00	\$47,500.00
Total Funding Sources	\$28,000.00	\$18,000.00	\$47,500.00

**Projected amounts are estimates and are subject to change.*

The attached second amendment to the software services agreement with Fifth Asset, LLC includes a one-time implementation fee of Ten Thousand Dollars (\$10,000.00) and an additional annual cost of Eighteen Thousand Dollars (\$18,000.00). The Treasurer-Tax Collector has sufficient appropriations for the bond and debt management module in budget 1100-109 in Fiscal Year (FY) 2024-25, while the Auditor-Controller will continue to cover the costs associated with the remainder of the services provided under the software services agreement with Fifth Asset, LLC. Costs for future years will be included in the annual budgets.

STAFFING IMPACT:

Approval of the attached second amendment to the software services agreement with Fifth Asset, LLC will not impact current staffing levels.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve attached second amendment to the software services agreement with Fifth Asset, LLC. However, this alternative is not recommended since it will not allow for substantial improvements to internal controls and efficiency.

ATTACHMENTS:

1. Software Services Agreement with Fifth Asset, LLC
2. First Amendment to the Software Services Agreement with Fifth Asset, LLC
3. Second Amendment to the Software Services Agreement with Fifth Asset, LLC

PREVIOUS ACTION/REFERRAL:

Meeting of: None
File No.: None