



Minnesota Counties Computer Cooperative

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Manatron Steering Committee Meeting Minutes Monday, May 3, 2010 MCCC Offices, St. Paul

Steering Committee Members Present: Joanne Helm, Steve Holthaus, Cynthia Geis, Charlene Olson, Cheryl Grover, Farley Grunig, Mike Disher, Mike Sheehy
Lisa Meredith, **Director MCCC**; Andrew Berg, Stacia Whipps, Marty Ulanski-**Manatron**
Jason Nord, Michael Stalberger and Deb Volkert-**DOR**

Guests Present: Rich Meyer-Brown Co, Jean Prochniak-Brown Co, Bob Hansen-Hubbard, Dennis Fields-Jackson Co, James Forshee-Martin, Steve McDonald-Martin, Dan Whitman-Martin, Tom Keefe-McLeod, Steve Weets-Pipestone, Mark Oswald-Ramsey, Fran Windschitl-Rice Co., Mary Fisher-Sibley, Lisa Pfarr-Sibley, Beth Wilson-Sibley, Mike Wacker-Watonwan, Greg Kramber-Wright, Denise McCalla-Wright, Kris Lage-Scott

The meeting was called to order at 9:30 a.m. by JoAnn Helm, Chairperson.

Marty Ulanski from Manatron was in attendance so all present introduced themselves.

A motion to approved the Agenda was made by Charlene Olson, Farley Grunig seconded the motion, motion carried.

Cheryl Grover made some clarifications in the April 5 Steering Committee Minutes. Charlene moved to accept the minutes as corrected, Steve Holthaus seconded the motion, motion carried.

Jason Nord with the DOR reported that the Senate Omnibus Bill was presented last week. The House Omnibus bill was being heard as we met (May 3) – the main issue right now is the tax due date of 2A and 2B parcels. There will be a change in the delayed due date on these parcels so that all 2a and 2b parcels receive the due date of the class of the majority of their parcel. There is a concern that this could be a programming nightmare. One bill has already passed dealing with Market Value Credit being cut first and LGA credits being cut second.

- The Abstract of Tax List (ATL) is needed ASAP in order for accurate market value credits to be calculated.

Spring Minis are all in - one non-Manatron County is outstanding at this time.

The floor was turned over to the 11 Manatron Counties that did not implement the GRM product – Farley Grunig explained that he considered the GRM product not to be in a “good” status to go forward. February 10, 2010 the 11 counties met – they discussed what caused them to not go forward –they also discussed what is Manatron willing to do for these 11 counties going forward – and also what can we do for the future. The following 14 items were presented to the Steering Committee and Manatron for discussion:

1. **Remove the current per county late implementation fee from the contract.** Any late implementation fee should be calculated based on actual anticipated costs and should be a single fee for the group implementing GRM at that point in time. The decision on how to spread the cost

among the counties that are implementing GRM as part of a particular group should be decided by the counties that are included in that particular group.

2. **Any late implementation fee be based on actual costs and should not include any amount that could be considered a penalty.** The counties that have delayed implementation entered in to the original contract in good faith that Manatron would provide a completed fully functioning product as promised and deliver it on time. The counties delayed implementation because the product as available at their scheduled time of implementation did not meet the counties needs. These counties should not be penalized for being prudent and expecting the vendor to comply with their original commitment.
3. **Manatron must provide a fixed price for data conversion and this price should be included in the MCCC contract.** Manatron by now should know the data elements that exist in the legacy system and should be well qualified to convert that data to GRM. The lack of knowledge that existed when the original contract was written no longer exists. This should allow Manatron to provide the counties with a fixed data conversion cost.
4. **The contract must include the option for a county to do direct data entry to GRM and, if a county chooses this option, there will be no monies due Manatron for data conversion.** If Manatron isn't converting the data then there is no reason the affected county should pay Manatron for any conversion costs.
5. **The contract must include minimum performance standards for ease of use and system speed together with penalties for failure to achieve the stated minimum performance standards.** A major reason counties considered this software initially was for cost savings. However, if reduced support costs and other system costs are less than the increase in staff time costs then any anticipated benefit is lost. In order to achieve the cost savings originally anticipated ease of use and system speed must be adequate to avoid incurring increased staffing costs to overcome the inefficiencies of the new system.
6. **Data conversion pricing and implementation costs must be good for the entire period of the support contract extension.** The software still is not stable. The counties that have suspended implementation may not be ready to implement GRM until stability is achieved. That may take a year or longer. To allow for planning the counties must be able to calculate their anticipated costs of conversion for any time frame within the support contract extension period.
7. **All of the proofing and editing reports originally anticipated to be delivered with the system must be delivered before any additional counties implement GRM.** Many counties do not have the staff necessary to take up the slack for the missing reports that were implied to be part of the original software package when it was marketed.
8. **On site assistance at time of implementation must be done by personnel with in-depth knowledge of GRM and the ability to convey that knowledge to the users.** Some counties found that the assistance they received during their initial attempt at implementation was being provided by people with little knowledge of GRM or by people with little ability to convey to the users the knowledge necessary to successfully operate the software. With better support during initial implementation some of the counties that suspended implementation may have successfully converted to GRM. The contract needs to make provision to avoid a second occurrence of this problem.
9. **Time spent providing by Manatron staff providing on site support must be spent actually doing on site support.** Some of the counties were short changed with their on site support during the initial implementation. The Manatron staff physically located at the county during the period of on-site support was not utilizing all their time actually providing on-site support to that particular county. Instead the Manatron staff spent a significant amount of their time attending on-line meetings, participating in conference calls, doing on-line training for other counties, providing support to other counties, and generally doing things that were of little or no assistance to the county where they were physically located. This resulted in increased frustration by the affected counties and contributed to these counties suspending implementation. This needs to be avoided for counties that choose to go forward in the future.
10. **A minimum level of hardware support including, at a minimum, assistance in server sizing, identification of the correct server software, and training on proper procedures for loading patches and releases must be included in the contract.** Some counties had the experience of purchasing what they were told was the correct server software only to find out that by the time

they were ready to install that system specifications had changed. The contract should put Manatron in the position of having a level of responsibility for providing specifications and assurances that if these specifications are met that additional upgrades will not be necessary for a specified period of time. The users should not be left in the dark concerning when Manatron anticipates changing their system requirements for running the GRM software.

11. **The support contract extension must include a timeline for delivering the updates necessary for meeting the Minnesota tax cycle requirements and meaningful penalties for failing to meet the specified dates.** The minimal penalties in the current contract are woefully inadequate based on the additional costs delayed delivery imposes on the users.
12. **The definition of “delivery of updates” must be spelled out in the contract.** For example, if the contractually agreed to date for delivery of the software necessary for calculating notice of proposed taxes is October 1st, the GRM software available to the users on October 1st must be complete, tested, and ready to be utilized in live production. Delivering software by the due date that is only ready for beta testing will not meet this requirement nor does delivery so close to the due date to prevent a reasonable time period for user testing.
13. **Counties that have suspended implementation should be allowed the option to permanently withdraw from the project and receive a full refund of their GRM license fee.** For these counties the “license” for GRM is worthless. Counties that chose to suspend implementation did so because the software was not complete and was not in compliance with the product originally marketed and sold by Manatron. It is acceptable for the contract to include a provision stating that if a county receives a refund of their license fee that they are no longer considered to be included in the group of counties that originally signed up for this project. This provision would make counties receiving a refund of their license fee ineligible for the late implementation provisions included in this support agreement extension. If a county received a refund of their license fee and later decided to implement GRM, that particular county would need to negotiate their own license fee, conversion costs, and other related Manatron costs, however, the county would be eligible to return to the user group and be included in the contract provisions for support.
14. **Counties that have suspended implementation should not be subject to any support fee for 2010 or future years until they implement GRM.** A provision stating that support costs commence in the month when the county begins using GRM for day to day operations would be acceptable.

Late adapter penalty goes to the user group not to Manatron. What fees would be in place 2 or 3 years down the road was one question asked.

Charlene commented that items 1-12 will definitely be looked at in developing the new Contract Extension for 2011.

Fran Windschitl, Rice County’s advice to the 11 counties would be that they not implement GRM. The product is too new and there are numerous processes that Fran feels do not work.

Marty Ulanski recommends that a Contract Addendum be developed to incorporate items 1-12.

Mike Disher has been a proponent of MCCC/Manatron and he supports the Steering Committee’s efforts to work on the above list – we need to work as a cooperative and move forward as a unit.

Jeannie Prochniak from Brown County feels that the RFP was not met by Manatron. Why? Why are we settling for less than what we asked for? How do we write an RFP that our vendor **sticks with?!**

Dennis Fields with Jackson County feels the counties should be asking for money back because counties did not get what they bargained for. License Fees/maintenance and support fees etc. should be refunded.

Farley Grunig stated that the 11 counties met in February with County Commissioners and County Attorneys present also and the consensus was that counties should request the money back because the product was not what they purchased.

Steve Weets comments were that the RFP had no penalty for late delivery on Manatron's end of things but counties were penalized with the need for overtime – and Steve also felt that County Staff knew as much or sometimes more than the Manatron people sent to their county to help in the implementation process.

Pat Melville with McLeod County was on the phone. In his county he heard staff comment that they had issues with the trainers – Manatron moved on – customer service was not what was expected. Can we continue to improve? Can counties implement later? 17 counties have worked hard – efforts are commendable – lots of extra cost incurred – with state cuts facing counties – where will the money come from???

Mike Disher commented that counties need to remember the RFP is not the contract. The RFP is what we wanted – then engineers had to design and implement the items that could be developed!!

Farley commented that the anticipation was that the functionality would be present in the product – the Steering Committee represents all 28 counties in the process to get the product they requested and needed.

Hubbard County, Bob Hansen, stated that the usability of the product was not there, reports were a huge issue in Hubbard County – or rather the lack of reports for proofing. Small counties with small IT staff or limited IT departments were at a huge disadvantage when implementing GRM.

Polk County has had to extend a contract with Michaels – the hope was to lower cost – not increase them.

Martin County was the first county to drop the implementation of GRM. Steve McDonald stated that for Martin County all of the above mentioned issues played a huge part in the decision to drop out – but also the fact that the Auditor/Treasurer and Assessor felt the product was not complete.

The question asked was “Why were we forced to “go live” on an incomplete system? Steve feels Manatron should refund dollars because of that alone!

Marty Ulanski's reply: there has been a lot of negative PR and understands that the 11 Counties do not want to come back until the product is “proven”. There were some huge “data issues” for all 28 counties. What is the best process – right now Manatron needs to focus on the 18 counties that are “live” in Minnesota. Manatron only has so many resources available at one time – important for counties to get the data correct – all the way thru printing a tax bill – it is done!!! The DOR reports issues – Marty feels that 10% is Manatron issues but 90% are data related issues. “Special Assessments” – very complex!! The System will evolve – it will improve. Manatron has added 7 new staff persons because of the increased work load in implementing GRM in Minnesota.

Marty asked the 11 counties if any of the counties were interested in implementing GRM this summer or within the next 6 months. None of the 11 counties indicated that that was going to happen. When Marty asked if any counties would consider implementing a year from now a few counties expressed an interest in that possibility. Marty asked the 11 counties to give Manatron a 6 month “heads up” if they were going to consider the GRM product for their county.

“Connect Care” – In House – has exceeded the capacity. Manatron is moving to a new software – Matt Greener is on this and it is moving forward – hopes to be implemented this summer.

Charlene Olson, Clearwater County Treasurer, talked about how Clearwater County tackled GRM and made it work.

Mark Oswald – Ramsey County – 160,000 parcels – at times felt GRM was “no good” – but the Legacy system was “dying” – change was needed! Ramsey hired consultants. Beat the penalty deadline for tax statement by 34 hours!! 1000 calls a day when the tax statements did not get out on time. Learning GRM as we go along!! Takes a lot of work to make it work – offices will need to work together. Mark again stressed it is a **LOT OF WORK!!**

Cindy Geis, Scott County – has questioned the decision to implement GRM many times over the past two years. Concerns with the Manatron Management Team, process times, “special assessments” has been a huge issue in Scott County, a lot of these things the counties will not have to face again – come Fall GRM processes and county efforts will be a lot better!! Performance issues (they were BRUTAL) – time to process another huge item. But Manatron has been doing a lot of system tuning – Manatron also has staff working overtime – “environment” issues – difference in configuration – legislative updates need to be on time! – the Manatron User Group will need effective training. The data issues are behind us – the proposed Connect Care change will be a huge plus.

Mike Disher feels positive about GRM.

Bob Hansen, Hubbard County – questioned where are the 11 counties that did not implement GRM in the \$7,000,000 investment – can they capture their investment?

Items 13 & 14: Manatron contracts with MCCC. Manatron continues to work!! When individual counties opt out they do so with MCCC not Manatron.

Farley Grunig, Jackson County made a motion that the committee work with items 1-12 in the upcoming Contract Extension with Manatron. Charlene Olson, Clearwater County seconded the motion. Motion carried unanimously.

Farley Grunig made the motion that the Committee negotiate items 13 & 14 for the 11 counties that suspended implementation. The motion was seconded by Mike Sheehy, Pine County. Discussion followed. Called for a vote – motion failed.

Farley Grunig made the motion that all remaining Manatron funds be 0 balanced as of the MCCC Conference date. Monies should be dispersed to the counties. The 17 counties going forward with GRM could choose to accumulate their fund investments if they so choose.

Motion failed for lack of a second. Mike Disher questioned how much funds are remaining?

Lisa Meredith reminded all present that 5 of the 11 counties have not paid maintenance and support fees. At Thursday’s MCCC Executive Board meeting a discussion on revocation of voting rights for those 5 counties will be held.

Farley would like the potential payback dollars to be totaled and be made available at the June Conference in preparation for a possible motion to pay these dollars back to the Counties.

At the MCCC Conference the Manatron User Group will need enough time allocated for all of these discussions.

Legislative Report(Farley Grunig Chairperson): The committee has not met since the last steering committee met. Farley is preparing a list of Change Requests that were submitted to Manatron. The list will be sent to Lisa and Joanne. CAMA Interface Committee will meet on 5/19 at 8:30 – Jeff Watkins is updating the Change Request list.

Mike Sheehy made the motion, seconded by Steve Holthaus that a letter be sent to the 11 counties that suspended implementation explaining the history of the project and the fact that this project is operating

under a joint powers agreement and the limitations this method of doing business creates. Lisa Meredith and JoAnn Helm will work together on this letter. Motion carried.

Training Committee (Jill Nolan): Conference is all laid out. Latonia Vance, Elaine Carter, Bob Brower and Matt Greener will be in attendance at the Conference.

Testing Committee (Chris Samuels): Abstract of Tax List – then move on to TIF.

Standards (Cheryl Grover): Northern Counties are meeting 5/20/2010 in Clearwater County– Southern Counties are meeting 5/25/2010 – in Stearns County. The committee is scheduled on Tuesday, June 8th at the MCCC Conference in the afternoon.

CCB/Enhancement/Reports Committee (Steve Holthaus): Recently met. Enhancement Request have been submitted for T-Shirt sizing – cc Marty Ulanski

Steve has developed a one page info document for counties to more effectively deal with Public questions.

Member Concerns:

Two Steering Committee positions are up for election at the Conference: Dennis Freed's position and the Northern Rep position.

Russ Nygren, Morrison County has a concern that the Auditor's Certificate is not available and this is a "huge" issue. Doug Storaci is working with Cindy in Scott County and should be available in the May 13th release. Levy Book needs to be done before the Auditor's Certificate. The top 10 taxpayer list should be able to be built for a taxing district only!!

Mike Sheehy moved to adjourn, Motion seconded by Farley Grunig, Motion Carried.

Minutes respectfully submitted by Cheryl Grover, Clearwater County