

RESOLUTION NO. 551 - 2022

A RESOLUTION AUTHORIZING THE DIVISION OF POLICE TO PURCHASE GRAYKEY LICENSE – PREMIER FROM GRAYSHIFT LLC, A SOLE SOURCE PROVIDER, AND AUTHORIZING THE MAYOR, ON BEHALF OF THE URBAN COUNTY GOVERNMENT, TO EXECUTE ANY NECESSARY AGREEMENT WITH GRAYSHIFT LLC, RELATED TO THE PROCUREMENT, AT A COST NOT TO EXCEED \$46,570.00.

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BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the Division of Police is authorized to purchase GrayKey License - Premier from Grayshift LLC, a sole source provider, and the Mayor, on behalf of the Lexington-Fayette Urban County Government, be and hereby is authorized to execute any necessary agreement with Grayshift LLC, related to the procurement.

Section 2 – That an amount, estimated not to exceed the sum of \$46,570.00 be and hereby is approved for payment to Grayshift LLC., from account 1101-505506-76102.

Section 3 – That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: September 22, 2022

  
MAYOR

ATTEST:

  
CLERK OF URBAN COUNTY COUNCIL  
0937-22:MRS:X:\Cases\POLICE\22-LE0003\LEG\00765076.DOCX



## JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

**Sole Source Purchases** are defined clearly, based upon a legitimate need, and are limited to a single supplier. Sole source purchases are normally not allowed except when based upon strong technological grounds such as operational compatibility with existing equipment and related parts or upon a clearly unique and/or cost effective feature requirement. The use of sole source purchases must be justified and shall be limited only to those specific instances in which compatibility or technical performance needs are being satisfied.

**Sole Source Services** are defined as a service provider providing technical expertise of such a unique nature that the service provider is clearly and justifiably the only practicable source available to provide the service. The justification shall be based on the uniqueness of the service, sole availability at the location required, or warranty or defect correction service obligations of the service provider.

This form must be filled out for the request to purchase any good or non-professional service that requires a competitive procurement process (informal quotes (\$2,500-\$10,000), formal quotes (\$10,001 - \$29,999.99), or formal bid (\$30,000 or more) as defined in the LFUCG's Purchasing Manual. This form must be completed in its entirety and attached to the purchase requisition.

**Note: Sole Source Purchase requests for goods exceeding \$30,000 will require approval by the Urban County Council by submitting an Administrative Review Form. A copy of this form must be signed off by Central Purchasing and attached to the Administrative Review Form.**

### Requesting Division

Name  Lt. Randall Combs  Division/Dept  Police/Special Investigations

Phone  859-258-3541  Email  rcombs@lexingtonpolice.ky.gov

Type of Purchase: ( X ) Goods/Materials/Equipment ( X ) Services

Cost:  \$46,570

Sole Source Request for the Purchase of:  forensic mobile phone examination device/software

One Time Purchase

To Establish Sole Source Provider Contract

(subject to annual review and approval by Central Purchasing and/or Urban County Council)

### Vendor Information

Business Name  Grayshift LLC

Contact Name  Tracy Gossett

Address  931 Monroe Drive NE Suite A102-340 Atlanta, GA 30308

Phone  833-472-9539  Email  tgossett@grayshift.com



## JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

### STATEMENT OF NEED: (Add additional pages as needed)

My division/department's recommendation for sole source is based upon an objective review of the product/service required and appears to be in the best interest of the LFUCG. I know of no conflict of interest on my part, and I have no personal involvement in any way with this request. No gratuities, favors, or compromising actions have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials, persons or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

### 1. Describe the product or service and list the necessary features this product provides that are not available from any other option.

GrayKey forensic mobile phone examination software/hardware. This is the only product that has the function to examine mobile phones in a locked state. GrayKey is only sold to Law Enforcement and other Government institutions. It is sold only by Grayshift, they developer/manufacturer.

### 2. Below are eligible reasons for sole source. Check one and describe.

Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations to the consultant. Describe why it is mandatory to use this licensed or patented product or service.

There are no competitors in existence that offer the GrayKey line of product. Grayshift owns all distribution and marketing rights of GrayKey and designates how GrayKey may be marketed and sold.

Existing LFUCG equipment, inventory, custom-built information system, custom-built data inventory system, or similar products or programs. Describe. If product is off-the-shelf, list efforts to find other vendors (i.e. web site search, contacting the manufacturer to see if other dealers are available to service this region, etc.)

Uniqueness of the service. Describe.

The LFUCG has established a standard for this manufacturer, supplier, or provider and there is only one vendor. Attach documentation from manufacturer to confirm that only one dealer provides the product.

Factory-authorized warranty service available only from this single dealer. Sole availability at the location required. Describe.

Used item with bargain price (describe what a new item would cost). Describe.

Other – The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, please describe:



## JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

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**3. Describe efforts to find other vendors or consultants (i.e. phone inquires, web site search, contacting the manufacturer to see if other dealers are available to service region, etc.).**

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**4. How was the price offered determined to be fair and reasonable?**  
(Explain what the basis was for comparison and include cost analyses as applicable.)

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**5. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier.**

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**GRAYSHIFT**

**Grayshift LLC**  
931 Monroe Drive NE Suite A102-340  
Atlanta, GA 30308  
USA  
Phone: +1 (833) 472-9539

**Quote Number:** Q-17450-1  
**Created Date:** 9/1/2022  
**Expiration Date:** 12/1/2022  
**Contract Start Date:** 1/25/2023

**CAGE Code:** 7R0W9  
**DUNS Number:** 081045174  
**NAICS:** 511210

**Ship To**  
Joseph Sisson  
Lexington Police Department (KY)  
150 East Main Street  
Lexington, Kentucky 40507  
United States  
jsisson@lexingtonpolice.ky.gov

**Bill To**  
Joseph Sisson  
Lexington Police Department (KY)  
150 East Main Street  
Lexington, Kentucky 40507  
United States  
jsisson@lexingtonpolice.ky.gov

| SALESPERSON    | EMAIL                   | DELIVERY METHOD | PAYMENT TERMS |
|----------------|-------------------------|-----------------|---------------|
| Kayce Hochevar | khochevar@grayshift.com | FedEx           | Net 30        |

All prices below are in U.S. Dollar

| PRODUCT NAME   | START     | END       | PART       | QTY  | PRICE     | EXTENDED  |
|--|-----------|-----------|------------|------|-----------|-----------|
| GrayKey License - Premier<br>Unlimited iOS and Android Extractions<br>Renewal for Serial Numbers: 68059dead4390805 | 1/25/2023 | 1/24/2024 | GKL-ONF-PR | 1.00 | 45,995.00 | 45,995.00 |
| GrayKey Unit   |           |           | GK101      | 1.00 | 500.00    | 500.00    |
| Shipping & Handling  |           |           | SH         | 1.00 | 75.00     | 75.00     |

**TOTAL: USD 46,570.00**

**Quote Terms**

- Delivery of GrayKey requires the end-user's prior acceptance of Grayshift's End User License Terms Agreement ("EULA")
- Your acceptance of this quotation will indicate your acceptance of the terms of Grayshift's EULA, without exception or reservation. The EULA is available at <https://grayshift.com/terms>
- License Term includes unlimited extractions and software updates during the license term
- The final invoice may include tax if applicable
- Please reference quote number on payment method

**Payment Terms**

- Non-payment thirty days after issuance of your invoice may result in a suspended license
- Credit Cards: Major credit cards accepted including Visa, Mastercard, and American Express
- Additional Information: Fees under this Agreement are exclusive of all taxes, including national, state or provincial and local income, use, sales, value-added, property and similar taxes, if any. Customer agrees to pay such taxes (excluding US taxes based on Grayshift's net income). In the case of any withholding requirements, Customer will pay any required withholding itself and will not reduce the amount paid to Grayshift on account thereof. As an example, if the price to be paid is \$100 but there is, for example, 10% withholding, Grayshift will still directly be paid \$100. The payor may need to "gross up" the overall payment so the amount due Grayshift after any withholding is \$100

**Terms & Conditions**

A signed quote is acceptable in lieu of a purchase order to execute this order under the following conditions:

- The purchasing entity identified in the quote does not require the issuance of a Purchase Order and any subsequent issuance of a Purchase Order will render the below signature void and cause the service to be suspended until the parties have entered into a formal agreement,
- No additional terms and conditions outside of the Reveal by Grayshift Software Services Agreement and/or the GrayKey End User License Agreement, as applicable, and this Quote apply to this purchase whatsoever, and
- The above quote is issued for an amount not to exceed \$15,000 for the Reveal by Grayshift service, or \$50,000 for any new online GrayKey license(s) and/or an amount not to exceed \$100,000 for renewal online GrayKey license(s), respectively.

**ATTENTION: PLEASE READ CAREFULLY:**

**BY SIGNING THIS QUOTE, YOU CERTIFY THAT THE ABOVE IS ACCURATE, THAT YOU HAVE READ THE TERMS OF THE REVEAL BY GRAYSHIFT SOFTWARE SERVICES AGREEMENT AND/OR THE GRAYKEY END USER LICENSE AGREEMENT, AS APPLICABLE TO THE PRODUCTS IDENTIFIED IN THIS QUOTE, AND AGREE TO THE APPLICABLE TERMS IN THEIR ENTIRETY WITHOUT EXCEPTION OR RESERVATION, AND THAT YOU ARE AN AUTHORIZED REPRESENTATIVE OF THE INTENDED PURCHASING ENTITY IDENTIFIED IN THIS QUOTE WITH THE AUTHORITY TO LEGALLY BIND YOUR AGENCY AND TO ENTER INTO THIS AGREEMENT, AND THAT YOU CAN PROVIDE WRITTEN VERIFICATION OF SUCH AUTHORITY UPON REQUEST.**

Signature: Linda Gorton Effective Date: 9/23/2022  
 Name (Print): Linda Gorton Title: Mayor

Please sign and email to Kayce Hochevar at [khochevar@grayshift.com](mailto:khochevar@grayshift.com)

Grayshift LLC  
**THANK YOU FOR YOUR BUSINESS!**