

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

October 22, 2024

FROM

PETE MENDOZA, Director, Purchasing Department

SUBJECT

Three Party Agreement with Corodata Records Management, Inc. and Konica Minolta Business Solutions USA, Inc. for Document Storage, Retrieval, and Digitization Services

RECOMMENDATION(S)

1. Approve three party **Agreement No. 24-1004** with Corodata Records Management, Inc. and Konica Minolta Business Solutions USA, Inc., including non-standard terms, for the provision of offsite document storage and retrieval services and document digitization services, not to exceed \$600,000 annually, for the initial term of October 22, 2024, through October 21, 2031, with three one-year options to extend the term at the same annual value.
2. Authorize the Purchasing Agent to add, replace or delete services and adjust rates for services, including revisions to the fixed rates listed in Schedules A and B as needed, up to \$600,000 annually, subject to review by County Counsel.
3. Authorize the Purchasing Agent to execute up to three one-year options to extend the term of the contract listed in Recommendation No. 1, subject to review by County Counsel.
4. Direct the Purchasing Agent to transmit amendments to the three party Agreement with Corodata Records Management, Inc. and Konica Minolta Business Solutions USA, Inc., to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Pete Mendoza, Director, 909-387-2073)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General funding (Net County Cost). Departments that require record/data storage, retrieval, and digitization services are responsible for ensuring adequate funding in their respective budgets. The County's estimated annual expenditure for record/data storage, retrieval, and digitization services is approximately \$600,000.

BACKGROUND INFORMATION

The Purchasing Department (Purchasing) maintains a countywide contract for offsite record/data storage and retrieval services. Continued use of a countywide contract for these services is recommended as it will maintain standardized practices across County Departments and capture more competitive pricing for the County by leveraging increased business with a single vendor.

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Historically, transition of these services from one vendor to another has been expensive for the County due to the presence of permanent removal fees on the executed agreement. These fees are present on the County's current contract with Vital Records Control, Inc. (VRC) and departments currently using VRC's services have been notified that fees will be due during the transition from VRC to Corodata Records Management, Inc. (Corodata) and Konica Minolta Business Solutions USA, Inc. (Konica Minolta). In an effort to reduce future costs to the County, permanent removal fees have been negotiated out of the agreement with Corodata and Konica Minolta in exchange for a longer term with options to extend.

The transition from VRC to Corodata and Konica Minolta will begin upon execution of the new agreement with Corodata and Konica Minolta. VRC has confirmed they will make available 500 or more boxes per week for transport to Corodata and Konica Minolta. Corodata and Konica Minolta have confirmed the weekly amount is acceptable.

Digitization services are being offered on this countywide agreement for the first time. Departments that take advantage of these services will reduce costs associated with the physical storage and retrieval of documents and will support County initiatives concerning sustainability and green procurement by reducing the amount of paper documents used.

The agreement includes terms that differ from the standard County contract terms. Corodata and Konica Minolta are unwilling to negotiate these terms. The non-standard terms are as follows:

1. The liability to the County is equal to the fees paid for the twelve-month term preceding the claim.
 - The County standard contract does not include a limitation of liability.
 - Potential Impact: Corodata and Konica caps its liability to the County for all claims arising under the contract. Claims could exceed the liability cap and the contract amount leaving the County financially liable for the excess. In addition, the County's liability under the contract is not similarly limited.

2. The contract does not require Corodata and Konica to indemnify the County for all claims arising out of the contract.
 - The County standard contract indemnity provision requires the Contractor to indemnify, defend, and hold County harmless from third party claims arising out of the acts, errors or omissions of any person.
 - Potential Impact: Corodata and Konica is not required to defend, indemnify or hold the County harmless from claims arising from the County's own acts or omissions which may arise during the performance of the contract. In such a case, the County may be solely liable for the costs of defense and damages, which could exceed the total contract amount.

Purchasing recommends approval of the agreement with Corodata and Konica Minolta, including the non-standard terms, as it will improve County government operations through competitive pricing, service standardization, and environmentally friendly processes.

PROCUREMENT

**Three Party Agreement with Corodata Records Management, Inc. and Konica Minolta Business Solutions USA, Inc. for Document Storage, Retrieval, and Digitization Services
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On June 17, 2022, Purchasing released Request for Proposals (RFP) AGENCY22-PURC-4633 to solicit proposals from interested and qualified agencies to provide offsite document storage and retrieval services and document digitization services for an initial period of seven years. The RFP was posted to the County's Electronic Procurement Network (ePro).

Three proposals were received by the established deadline in response to the RFP. Proposals from the three agencies listed below met the minimum requirements and continued through the evaluation process.

Proposer Name	Location
Corodata Records Management, Inc. and Konica Minolta Business Solutions USA, Inc.	Corona, CA and Ramsey, NJ
GRM Information Management Services of California, LLC	Pico Rivera, CA
Storetrieve, LLC	Montebello, CA

The evaluation panel, with representation from Land Use Services, Information and Technology, Purchasing, and Arrowhead Regional Medical Center, reviewed and evaluated the proposals based on the criteria listed in the RFP. The criteria included Qualifications and Experience, Financial Review, Technical Review, Cost, and Demonstrations.

Based on the evaluation criteria, the evaluation panel determined that Corodata and Konica Minolta best meet the needs of the County. Notice of Intent to Award and denial letters were sent to all responsible and responsive proposers on September 17, 2024. No protests were received.

REVIEW BY OTHERS

This item has been reviewed by Purchasing (Leo Gomez, Purchasing Manager, 387-2063) on September 13, 2024; County Counsel (Adam Ebright, Deputy County Counsel, and Julie Surber, Principal Assistant County Counsel, 387-5455) on October 4, 2024; Risk Management (Greg Ustaszewski, Staff Analyst II, 386-9008) on September 24, 2024; Land Use Services (Marlene Ambriz, Assistant Director, 387-4072) on September 25, 2024; Arrowhead Regional Medical Center (Andrew Goldfrach, ARMC Chief Executive Officer, 580-3290) on September 25, 2024; Innovation and Technology Department (Lynn Fyhrlund, Chief Information Officer, 388-0586) on September 26, 2024; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on October 1, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on October 4, 2024.

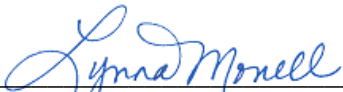
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Jesse Armendarez
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Curt Hagman, Joe Baca, Jr.
Absent: Dawn Rowe

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: October 22, 2024



cc: Purchasing - Centeno w/agree
Contractor - c/o Purchasing w/agree
File - w/agree
MBA 10/23/2024