

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

November 5, 2024

FROM

ENSEN MASON, Auditor-Controller/Treasurer/Tax Collector

SUBJECT

Non-Financial Main Services Agreement with Zendesk, Inc. for Software Subscription

RECOMMENDATION(S)

Approve a non-financial Main Services **Agreement No. 24-1047** with Zendesk, Inc., including non-standard terms, for a software subscription used to manage customer inquiries, issues, and support requests, with the contract term beginning November 5, 2024, and remaining in effect so long as there is a valid service or statement of work, or until terminated by either party. (Presenter: John Johnson, Assistant Auditor-Controller/Treasurer/Tax Collector, 382-7005)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

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

FINANCIAL IMPACT

Approval of this agreement will not result in the use of Discretionary General Funding (Net County Cost). The Main Services Agreement (Agreement) with Zendesk, Inc. (Zendesk) is non-financial in nature and does not commit the County to make any purchases. If future purchases are made under this Agreement, the Auditor-Controller/Treasurer/Tax Collector (ATC) will adhere to County purchasing policies and return to the Board of Supervisors (Board) for approval, if necessary.

BACKGROUND INFORMATION

ATC is in the process of modernizing and updating the existing forward-facing public website. This website upgrade will streamline ATC's customer service operations, improve response times, and increase customer satisfaction when using ATC's website. The Agreement outlines some of the terms needed for future purchases of Zendesk subscription services, which will enable the improvement of ATC's customer service.

ATC conducted research and evaluation of various customer service platforms and determined that integrating Zendesk's comprehensive suite of tools into the website upgrade offers the best solution for enhancing the user's experience and support capabilities via phone, email, and chat features. Zendesk is a customer relationship management solution encompassing many different services, including self-help, inquiry tracking, artificial intelligence, live-internal customer agent support.

By integrating Zendesk's comprehensive tools into ATC's website upgrade, this will significantly enhance the user experience and support capabilities. Zendesk's service platform will allow

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ATC's customers to communicate through their preferred communication methods. At the same time, its robust knowledge base feature will empower users to find quick answers to common questions. Knowledge base, one of Zendesk's tools, is a library of helpful information that contains pre-configured questions and answers, using artificial intelligence to allow customers find helpful information with minimal or no contact to an ATC staff member.

The website upgrade, framework, architecture, and modern design, added functionality and integration of services (including Zendesk), intuitive navigation, and search capabilities will all enhance the user experience. The platform's advanced analytics will also provide valuable insights to continually refine and optimize support processes in order to stay responsive to the users' evolving needs.

The Agreement is Zendesk's standard commercial contract, which includes terms that differ from the standard County contract and omits certain County standard contract terms. While the parties negotiated certain contract terms to County standards, Zendesk would not agree to all County standard terms. The non-standard and missing terms include the following:

1. Zendesk's maximum liability to the County is limited to \$100,000, excluding claims resulting from indemnification obligations, or misuse or misappropriation of the County's intellectual property rights.
 - The County standard contract does not include a limitation of liability.
 - Potential Impact: Claims could exceed the liability cap and the Agreement amount, leaving the County financially liable for the excess.

ATC recommends approval of the Agreement with Zendesk Inc., including non-standard terms, to significantly enhance the user experience and support capabilities within ATC's website upgrade.

PROCUREMENT

The Agreement, including non-standard terms, will be used to accompany future purchase orders to be approved as necessary in accordance with County Policy 11-04, Procurement of Goods, Supplies, Equipment, and Services.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on August 30, 2024; Risk Management (Greg Ustaszewski, Staff Analyst, 386-9008) on October 7, 2024; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on October 2, 2024; Finance (Penelope Chang, Administrative Analyst, 387-4886) on October 14, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on October 21, 2024.

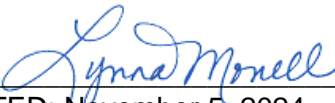
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: November 5, 2024



cc: ATC - Le w/agree
Contractor - c/o ATC w/agree
File - w/agree
CCM 11/7/2024