

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

September 12, 2023

FROM

SHANNON D. DICUS, Sheriff/Coroner/Public Administrator

SUBJECT

Software License and Services Agreement with 365Labs LLC for 365™ Reports and Records Management System Software Suite

RECOMMENDATION(S)

1. Approve **Software License and Services Agreement No. 23-1050** with 365Labs LLC, and incorporated Quote, including non-standard terms, for the provision of the 365™ Reports and Records Management System Software Suite, software maintenance, professional services, and training, in a total aggregate amount not to exceed \$6,650,136 for a five-year period effective from the San Bernardino County Sheriff/Coroner/Public Administrator's transition to live operation of the software, estimated to be September 2024, and automatically renewing every 12 months unless the Department provides 90 days' advance written notice of termination.
2. Authorize the San Bernardino County Sheriff/Coroner/Public Administrator or Undersheriff to execute change orders to the Software License and Services Agreement, and incorporated Quote, as needed, subject to review by County Counsel, so long as the total aggregate amount of such change orders does not exceed \$997,521 (15%), and the change orders do not amend the agreement term.
3. Direct the Sheriff/Coroner/Public Administrator or Undersheriff to transmit copies of all change orders to the Clerk of the Board of Supervisors within 30 days of execution.
(Presenter: Ernie Perez, Deputy Chief, 387-3760)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this Item will not result in the use of additional Discretionary General Funding (Net County Cost). Aggregate costs of 365Labs LLC (365Labs) 365™ Reports and Records Management System software suite (365 RMS), software maintenance, professional services and training in the amount not to exceed \$3,959,833 for the first three years of the Software License and Services Agreement, which is due in the first year, will be funded through a use of available one-time Proposition 172 funding. A budget adjustment is not requested at this time but will be included in the mid-year budget report presented to the Board of Supervisors (Board) for approval, if necessary. The cost of the system for years four and five will be included in the Sheriff/Coroner/Public Administrator (Department) future recommended budgets. Details of the not to exceed totals by fiscal year are shown below:

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Year	Amount
Year 1	\$1,519,650
Year 2 (Due Year 1)	\$1,190,333
Year 3 (Due Year 1)	\$1,249,850
Year 4	\$1,312,343
Year 5	\$1,377,960
Total	\$6,650,136

BACKGROUND INFORMATION

The Department's Technical Services Division (TSD) is responsible for all computer-related technology, data, and communications systems within the Department, and provides direct end-user support, ongoing maintenance, enhancements, and upgrades to departmental systems through four working groups: System Support/Development, Operations Infrastructure, Service Desk, and Administration. Advancements to law enforcement technology require that TSD continually enhance current systems to help improve investigative capabilities, provide secure data storage and accurate information in a timely manner.

In April 2023, the Department encountered a disruption in network connectivity resulting in service interruptions to its Records Management System (RMS), which provides the Department with a document tracking system that is divided into a series of components and data sub-systems, including but not limited to, deputy reports, traffic collisions, citations, sex registrants, and field contacts.

The RMS also integrates with the Department's Communications Division that is comprised of two dispatch centers that serve as primary 9-1-1 Public Safety Answering Points (PSAP) for their respective geographic locations within the county. The Communications Division is responsible for answering approximately 1.6 million calls for service annually for both emergent and non-emergent services. As the County's population continues to rise, the Communications Division strives to integrate smart technologies to improve efficiency to serve communities and increase Deputy safety.

365 RMS will provide the Department with a complete software service solution to restore functionality to the Department's RMS and criminal/traffic report writer system. 365Labs will provide personnel with the efficient means to document and create Department reports based on incident types and/or charges including, but not limited to, traffic collisions, citations, use of force encounters, and property and/or vehicle reporting. The software provides the Department with electronic document management, mobile field reporting, and mobile access to the National Crime Information Center (NCIC) to increase the speed of investigations and report submissions. It has the ability to interface with current Department software applications and allows for electronic submission of reports to the County's District Attorney's Office. The Department anticipates transition to live operation of this software in September 2024. The 12 months leading up to transition allows time for the initial set up, testing, training, and other steps towards live operation.

The Software License and Services Agreement (SLSA) with 365Labs for 365 RMS, is 365Labs' standard commercial agreement, which includes terms that differ from the standard County contract as follows:

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1. The SLSA does not allow the Department to terminate the SLSA for convenience.
 - (c) The County standard contract reserves the right to terminate the contract for convenience with 30 days' notice.
 - (d) Potential Impact: The County may only terminate the SLSA for cause in the event of a material breach, or a party's dissolution, and must provide at least 30 days' advance written notice. Any attempted termination by the County without cause may result in payment liability for the full SLSA amount, where no funds are available due to lack of allocation or loss of funding.

2. The SLSA's limitation of liability excludes violations of law by 365Labs.
 - (c) The County standard contract does not permit the contractor to limit its liability in the performance of a contract.
 - (d) Potential Impact: The Department could potentially not recover all damages incurred during the SLSA period.

3. After the initial five-year term, the SLSA renews automatically every 12 months unless the Department provides 90 days' advance written notice.
 - (c) The County standard contract term is five years and indefinite term, or automatically renewing contracts, are not permitted unless approved by the Board.
 - (d) Potential Impact: There is no end term to the SLSA and the County is indefinitely bound by the terms and conditions of the SLSA until either party terminates the SLSA with required notice.

4. The SLSA does not require 365Labs to meet the County's insurance standards as required pursuant to County Policy 11-07.
 - (c) County Policy requires contractors to carry appropriate insurance limits and under conditions determined by the County's Risk Management Department as set forth in the County standard contract.
 - (d) Potential Impact: The County has no assurance that 365Labs will be financially responsible for claims that may arise from the County's use of the software, which could result in expenses to the County that exceed the total SLSA amount.

While these are notable exceptions to the County standard contract language, the Department recommends approval of Recommendation No. 1 to approve the SLSA, and incorporated Quote, for the purchase of 365 RMS, including software maintenance, professional services, and training, to increase Deputy communication, and provide an efficient means to research and track documentation. County Counsel and Risk Management have provided input on the proposed agreement with 365Labs.

PROCUREMENT

365Labs is the developer of the software and holds proprietary rights to provide maintenance and support services for the 365 RMS. Purchasing concurs that a non-competitive justification of proprietary rights exists with the developer of the software 365Labs. The terms in the SLSA, and incorporated Quote, including non-standard terms, may be used to accompany future purchase orders issued to 365Labs as necessary, per County Policy 11-04 Procurement of Goods, Supplies, Equipment and Services. Additionally, County Policy 11-05 requires departments to obtain Board approval for the procurement of goods and services with non-standard terms and conditions.

REVIEW BY OTHERS

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This item has been reviewed by County Counsel (Richard D. Luczak, Deputy County Counsel, 387-5455) on August 10, 2023; Purchasing (Michael Candelaria, Lead Buyer, 387-0321) on August 10, 2023; Risk Management (Victor Tordesillas, Director, 396-8621) on August 10, 2023; Finance (Erika Rodarte, Administrative Analyst, 387-4919) on August 25, 2023; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on August 25, 2023.

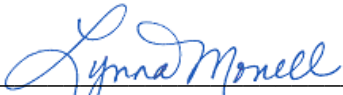
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Record of Action of the Board of Supervisors
San Bernardino County

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: September 12, 2023



cc: Sheriff - Welty w/ agree
Contractor c/o Sheriff w/ agree
File - w/agree
jm 10/3/2023