

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

September 24, 2024

FROM

DAN MUNSEY, Fire Chief/Fire Warden, San Bernardino County Fire Protection District

SUBJECT

Agreement with Jonas Collections and Recovery, Inc. dba C&R Software for Debt Collection System

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Fire Protection District, approve **Agreement No. 24-907**, including non-standard terms, with Jonas Collections and Recovery, Inc. dba C&R Software, for implementation services and software subscription to replace the existing debt collections system, in an amount not to exceed \$1,399,280, for a contract term of September 24, 2024, through September 23, 2029.

(Presenter: Dan Munsey, Fire Chief/Fire Warden, 387-5779)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

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

FINANCIAL IMPACT

Approval of the recommended agreement will not result in the use of Discretionary General Funding (Net County Cost). The \$1,399,280 software subscription and implementation services costs will be funded by the San Bernardino County Fire Protection District's (SBCFPD) fee and property tax revenue. Sufficient appropriation is included in the SBCFPD's 2024-25 budget and will be included in future recommended budgets.

The total \$1,399,280 cost of the recommended agreement includes one-time implementation and training costs of up to \$269,280, and annual subscription costs of \$200,000. A not to exceed amount of \$130,000 is included for additional programming services as additional programming services may be required in the case of future legislative changes, changes in business practices, or as other programming needs arise. These programming services will be utilized on an as-needed basis and charged accordingly. As such, if SBCFPD does not require any additional programming services, no costs will be incurred.

Item	2024-25	2025-26	2026-27	2027-28	2028-29	Five-Year Total
Training	\$32,600	-	-	-	-	\$32,600
Implementation	\$236,680	-	-	-	-	\$236,680
Subscription	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Additional Programming	\$50,000	\$20,000	\$20,000	\$20,000	\$20,000	\$130,000
Total	\$519,280	\$220,000	\$220,000	\$220,000	\$220,000	\$1,399,280

BACKGROUND INFORMATION

SBCFPD's Revenue Recovery Section provides debt collection for Ambulance Transport services, Cost Recovery billing, Hazardous Materials and Fire Prevention services, along with billing services for Fire Prevention services. The current revenue recovery tracking software used for Ambulance Transport services and Cost Recovery billing is Charge-Off Recovery System (CORS) software. The CORS software was originally created for banking services; however, SBCFPD's Management Information System (MIS) staff were able to make programming changes and amend CORS to provide debt collection tracking. CORS, which was implemented in 2007, has become an outdated software system due to the lack of support and enhancements.

Debt Manager has functionality that includes maintaining all account history, such as calls made and received; notating all correspondence, computing balances owed and payments received; sending letters and requests for information to locate assets; submitting tax intercept to include preparing submission modifications, deletions, and posting money received; tracking next steps for workflow on the collection accounts; and interfacing with the current Board of Directors approved ambulance billing vendor.

SBCFPD wishes to enter into an agreement with Jonas Collections and Recovery, Inc. dba C&R Software (C&R Software) for the utilization of Debt Manager.

The agreement is the standard County contract, which was negotiated between the parties to include certain non-standard terms and omit certain standard terms. The non-standard and missing terms include the following:

1. The agreement does not include certain standard County insurance requirements, including the waiver of subrogation.
 - The County standard contract requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department.
 - Potential Impact: No waiver of subrogation may allow C&R Software's insurer to bring suit against the County, which could result in expenses that exceed the total agreement amount.
2. C&R Software's liability to the County is limited as follows: (a) direct damage only for claims arising from C&R Software's breach of anti-corruption and anti-bribery law, third party intellectual property infringement by the software, and fraud, gross negligence, and willful misconduct; (b) the amount payable in the 36 months prior to a claim arising from C&R Software's breach of data security, breach of confidentiality or violation of data privacy laws; and (c) direct damages in the amount payable by the County in the 18 months prior to a claim arising from all other claims.
 - 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.

SBCFPD recommends approval of the agreement, including non-standard terms, as this will allow SBCFPD to utilize Debt Manager as a replacement for the existing outdated CORS software.

PROCUREMENT

**Agreement with Jonas Collections and Recovery, Inc. dba C&R
Software for Debt Collection System
September 24, 2024**

On March 4, 2022, the Auditor-Controller/Treasurer/Tax Collector (ATC) issued a Request for Proposal (RFP) No. ACT 122-ACTT-4463 for the Debt Collection Systems Replacement Project.

On June 27, 2023 (Item No. 29), the Board of Supervisors (Board) approved Agreement No. 23-548 between ATC and C&R Software to utilize Debt Manager for ATC's Debt Collection Systems Replacement, which includes a Participation Clause that allows for other agencies to enter into a separate agreement, with C&R Software, for the same services provided under that agreement. SBCFPD will enter into an agreement utilizing the Participation Clause.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on September 3, 2024; Risk Management (Victor Tordesillas, Deputy Executive Officer, 386-8623) on July 12, 2024; Purchasing (Alberto Cazares, Lead Buyer, 387-3376) on July 22, 2024; Finance (Ivan Ramirez, Administrative Analyst, 387-4020) on September 4, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on September 9, 2024.

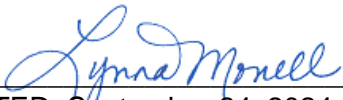
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September 24, 2024**

Record of Action of the Board of Directors
San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, SECRETARY

BY 
DATED: September 24, 2024



cc: SBCFPD - Munsey w/agree
 Contractor - c/o SBCFPD w/agree
 File - w/agree
CCM 09/26/2024