

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

692



FROM: Stanley L. Sniff Jr., Sheriff-Coroner-PA

SUBMITTAL DATE:
07/14/11

SUBJECT: Approval of the Sheriff's Subscription with LeadOnline, a
Nationwide Online Investigative Database for Stolen Property

RECOMMENDED MOTION: Move that the Board of Supervisors approve an open-ended subscription for the Sheriff's Department with LeadsOnline, a nationwide online service which collects transaction records for pawnshops and secondhand dealers, for the current annual subscription rate of \$52,980, without securing competitive bids, in accordance with Ordinance 459.4.

(Continued on Page 2)

Departmental Concurrence

Purchasing: *Mark Seller*
Mark Seller, Assistant Director

Will Taylor

Stan Sniff, Sheriff-Coroner-PA
Will Taylor, Director of Administration

FINANCIAL DATA	Current F.Y. Total Cost:	\$52,908	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$15,872	Budget Adjustment:	No
	Annual Net County Cost:	\$15,872	For Fiscal Year:	2011-12

SOURCE OF FUNDS: Department Funds and Records Management System Revenue BR 12-011	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
Robert Tremaine
BY: Robert Tremaine
Robert Tremaine

County Executive Office Signature

- Policy
- Policy
- Consent
- Consent

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: August 16, 2011
xc: Sheriff, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: | **District: All** | **Agenda Number:**

ATTACHMENTS FILED
CLERK OF THE BOARD

3.83

BOARD OF SUPERVISORS

FORM 11: LeadsOnline Service Subscription BR 12-011

Page 2

BACKGROUND: As a primary resource to track property crimes, the Sheriff's Department currently manually enters transaction information from pawn and secondhand stores in the county into our Records Management System. This is a very time consuming process and one that we are unable to keep up to date. When transaction information is out of date, investigators are left to calling County shops, manually sorting through pawn tickets or driving from business to business in search of stolen property.

The Sheriff's Department is confident it has found a cost-effective solution to the tedious labor-intensive data entry and can reduce the investigative time spent on property crimes with an annual subscription to LeadsOnline. This service is a nationwide online investigations system that records transactions from pawnshops, secondhand stores, eBay, and scrap metal dealers. It also provides law enforcement real time access to that information, including information that crosses jurisdictions and State lines.

Property crime suspects in Riverside County are mobile and tend to leave the immediate area of the crime before pawning the items. Since LeadsOnline is in all 50 states, we can use this tool to easily identify them when they sell stolen property across the nation. LeadsOnline receives information from more than 12,000 reporting businesses, and more than 4,000 law enforcement agencies nationwide use this system. This provides a vast network of intelligence which will permit Sheriff's Investigators and Property Crime Units to work more efficiently.

Other agencies within California, including San Bernardino, Upland, Oceanside, Palm Springs, Fresno, and San Francisco, already utilize this service, in an effort to efficiently solve property crimes. A major benefit of the service is that we will be able to save clerical hours by eliminating the need for data entry of pawned items into our Records Management System for those items taken in at a participating second hand dealer. Due to the daily import and export of data into and out of LeadsOnline, the necessary RMS entries will be automated.

This service was designed by detectives for detectives to use in everyday investigations. The system allows crimes to be investigated even when the suspect identified lives outside of jurisdictional lines. Literally, tens of millions of records are collected from more than 12,000 pawn shops, secondhand stores and scrap metal yards along with each and every eBay listing. This eliminates the dated method of manually sorting through paper tickets from stores and scrap yards or requesting and waiting for a subpoena to retrieve information from eBay.

Further, LeadsOnline provides access to eBay information. Without it, detectives must write letters and/or provide subpoenas to eBay for assistance in investigating crimes involving property listed or sold online.

Detectives are able to communicate through LeadsOnline regarding cases and persons of interest ensuring that investigations are efficiently managed, resulting in more cases closed in less time. Detectives can also tag suspects and property so that queries are performed continuously without having to input the search on

BOARD OF SUPERVISORS

FORM 11: LeadsOnline Service Subscription BR 12-011

Page 3

a daily basis. This feature can direct alerts to cell phones or email accounts to notify detectives when a match is found.

LeadsOnline is also designed for the investigation of metal theft. The Metal Theft Investigation System is the only system deployed on a large scale among scrap metal dealers and law enforcement agencies throughout the United States. The service includes photos of property and suspects, as well as thumbprints and signatures that are reported by recyclers and pawnshops.

We have located two competitors who offer some of these same features. However, neither provides all the features that LeadsOnline does. More importantly, neither has substantial coverage in Southern California.

Business Watch International, headquartered in Regina, SK, Canada, is one such group of database programmers, who codes software for police departments. However, this software does not offer the coverage and reach Riverside County needs. We know of no law enforcement agency, or reporting businesses in California contracting with, or using this software. Therefore, we would not benefit from cross jurisdiction access. Since this company is located in Canada, California businesses may be opposed to sending their American transaction information out of the country.

Automated Pawn System (APS) is another type of system created and operated by the Minneapolis Police Department. This program is also inadequate, as it too is not used in our part of the country.

PRICE REASONABLNESS: The annual subscription fee is based on the size of the agency. Therefore, Riverside County's annual subscription fee of \$52,908 is comparable to other governmental agencies of its size and scope.

Pricing for LeadsOnline is based on an annual subscription fee, and there are three service levels agencies can choose from based on their needs. Riverside County is allowed an unlimited number of users on the system as long as they are employed by Riverside County. In addition, all queries and searches are unlimited.

The LeadsOnline annual subscription price is extremely reasonable when compared to the time spent by clerical staff keying in transaction information, the inability to access a national database and the labor intensive search from dealer to dealer to track down leads. For less than the annual cost of one Office Assistant III, we will be able to search millions of transaction records and work thousands of cases. With a subscription, the Department is authorized to have unlimited user names and passwords for staff. There is no risk, because if for any reason the service doesn't work as expected, we can simply choose not renew the contract for the next year.

Further, the subscription cost will be partially offset by RMS charges to contract cities and outside law enforcement agencies.

Date: June 1, 2011

From: Stan Sniff, Sheriff Department/Agency: Sheriff / TSB

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for LeadsOnline

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. Supply/Service being requested: Online pawn, second hand, Ebay, and scrap metal dealer transaction clearing house service.

2. Supplier being requested: LeadsOnline is a nationwide online investigations system that records transactions from pawnshops, secondhand stores, eBay, and scrap metal dealers. It also provides law enforcement real time access to that information, including information that crosses jurisdiction and State lines.

Property crime suspects in Riverside County are mobile and tend to leave the immediate area of the crime before pawning the items. Since LeadsOnline is in all 50 states, we can use this tool to easily identify them when they sell stolen property anywhere. LeadsOnline receives information from more than 12,000 reporting businesses, and more than 4,000 law enforcement agencies nationwide use this system. This provides a vast network of intelligence which will permit Sheriff Investigators and Property Crime Units to work more efficiently.

Other agencies within California, including San Bernardino, Upland, Oceanside, Palm Springs, Fresno, and San Francisco, already utilize LeadsOnline in an effort to efficiently solve property crimes. Another benefit of LeadsOnline is that we will be able to save clerical hours by eliminating the need for data entry of pawned items into our Records Management System for any item taken in at a participating LeadsOnline second hand dealer. Due to the daily import and export of data into and out of LeadsOnline, the necessary RMS entries will be automated.

Further, LeadsOnline provides access to eBay information. Without LeadsOnline, detectives must write letters and/or provide subpoenas to eBay for assistance in investigating crimes involving property listed or sold online.

3. Alternative suppliers that can or might be able to provide supply/service: We located two competitors who offer some of the same features. Neither provides all the features that LeadsOnline does and neither has substantial coverage in Southern California.

Business Watch International, headquartered in Regina, SK, Canada is one such group of database programmers who codes software for police departments. This software would not be helpful and is not an option for Riverside County because they do not offer the coverage and reach Riverside County needs in order to solve crimes. We know of no law enforcement agency, or reporting businesses in California contracting with, or using this software. Therefore, we would not benefit from cross jurisdiction access. Since this company is located in Canada, California businesses may be opposed to sending their American transaction information out of the country.

Automated Pawn System (APS) is another type of system created and operated by the Minneapolis Police Department. This program is also inadequate, as it too is not used in our part of the country.

4. Extent of market search conducted: Riverside County staff has contacted and worked with many agencies in the immediate area during the past three years. All are either entering transaction data manually, as we are, or are in a contract with LeadsOnline. Riverside County staff has also directly benefited from the use of LeadsOnline and solved crimes on the system during trial periods offered by the company. Web research of the other two software products mentioned above clearly state the region and area they serve, which will not benefit Riverside County.

5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide: LeadsOnline was designed by detectives for detectives to use in everyday investigations. The system allows crimes to be investigated by our department even when the suspect identified lives outside of jurisdictional lines. Hundreds of millions of records are collected from more than 12,000 pawn shops, secondhand stores and scrap metal yards along with each and every eBay listing. This eliminates the dated method of manually sorting through paper tickets from stores and scrap yards or requesting and waiting for a subpoena to retrieve information from eBay.

Detectives are able to communicate through LeadsOnline regarding cases and persons of interest ensuring that investigations are efficiently and effectively managed resulting in more cases closed in less time. Detectives can also tag suspects and property so that queries are performed continuously without having to input the search on daily basis. This feature can direct alerts to cell phones or email accounts to notify detectives when a match is found.

LeadsOnline is also designed for the investigation of metal theft. The Metal Theft Investigation System is the only system deployed on a large scale among scrap metal dealers and law enforcement agencies throughout the United States.

LeadsOnline includes photos of property and suspects, as well as thumbprints and signatures that are reported by recyclers and pawnshops.

With LeadsOnline, the financial, technical and emotional barriers are removed which typically cause scrap metal recyclers and pawn shops to oppose electronic reporting. LeadsOnline has developed many interfaces to work with the existing software that businesses already have in place.

6. Reasons why my department requires these unique features and what benefit will accrue to the county: The Sheriff's Department currently enters transaction information manually from pawn and secondhand stores in the county into our RMS system. This is a very time consuming process and one that we are unable to keep up to date. When transaction information is out of date, investigators are left driving from business to business in search of stolen property

In addition, criminals frequently leave jurisdictional boundaries in an effort to hide from law enforcement. With our current process we are unable to see into other jurisdictions without physically picking up the phone to each and every business in the surrounding areas.

LeadsOnline will help eliminate the need to perform such time consuming tasks. Additionally, their investigative features aid us in locating stolen property in a more efficient and timely manner.

7. Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier: The annual subscription fee is based on the size of the agency. Therefore, Riverside County's annual subscription fee of \$52,908 is comparable to other governmental agencies of their size and scope.

Pricing for LeadsOnline is based on an annual subscription fee and there are three service levels departments can choose from based on the needs of the agency. Riverside County is allowed an unlimited number of users on the system as long as they are employed by Riverside County. In addition, all online queries and searches are unlimited.

After accounting for the time spent by clerical staff keying in transaction information and our inability to solve crimes efficiently due to lack of access to multi-jurisdictional information and real-time information, the price of LeadsOnline is extremely reasonable. For less than the cost of one FTE Office Assistant III we will be able to search millions of transactions records and work thousands of cases.

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain). LeadsOnline has a yearly subscription fee. There are no additional costs associated with the service. Businesses are able to report free of charge and are continually added to the program. The Sheriff is authorized to have unlimited usernames and passwords for all Sheriff staff. There is no risk. If, for any reason, LeadsOnline doesn't work as expected, we can simply not renew the contract for the next year.

9. Period of Performance: July 1, 2011 through June 30, 2012. Thereafter the subscription is renewable in one year increments.

(Provide a defined period of performance. Please note multi-year terms require Board approval, unless renewable in one year increments and the Purchasing Agent approves the terms.)


Department Head Signature

8/13/11
Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove


Purchasing Agent

Date