

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

368



FROM: Sheriff-Coroner-PA

SUBMITTAL DATE:
08/12/14

SUBJECT: Continuing Approval of Tiburon, Inc. as the Sole Source Provider of Software Maintenance Services for the Sheriff's Records Management System for the Period from FY 2014-15 to FY 2018-19, All Districts. [\$1,136,822 - General Fund - 53% & Communication Services - 47%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve an extension of the existing Master Support Agreement and the updated Exhibit 2 to that Agreement for software support and maintenance services from Tiburon, Inc. for the Sheriff's Department Records Management System (RMS) in an amount not to exceed \$205,736 in FY 2014-15, without securing competitive bids, in accordance with Ordinance 459.4, and authorize the Purchasing Agent to execute the Amendment on behalf of the County;
2. Authorize the County Purchasing Agent to purchase RMS software support and maintenance services from Tiburon, Inc. annually for four additional years, provided the annual cost does not increase more than five percent.

Stanley L. Sniff Jr.
Sheriff-Coroner-PA
Will Taylor, Dir. of Administration

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 205,736	\$ 216,023	\$ 1,136,822	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 109,040	\$ 114,492	\$ 602,516	\$ 0	

SOURCE OF FUNDS: General Fund 53% and Communication Services 47%	Budget Adjustment: No
	For Fiscal Year: 14/15-18/19

C.E.O. RECOMMENDATION:

APPROVE

BY:

Karen L. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: September 9, 2014
xc: Sheriff, Purchasing

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

Prev. Agn. Ref.: 09/18/07 3.58 | District: All | Agenda Number:

3-90

Departmental Concurrence

Purchasing:
Mark Seiler, Assistant Director

- Positions Added
- Change Order
- 4/5 Vote
- A-30

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Continuing Approval of Tiburon, Inc. as the Sole Source Provider of Software Maintenance Services for the Sheriff's Records Management System for the Period from FY 2014-15 to FY 2018-19, All Districts. [\$1,136,822 - General Fund – 53% & Communication Services 47%]

DATE: 08/12/14

PAGE: 2 of 2 (BR 15-022)

BACKGROUND:

Summary

Tiburon, Inc. has been our contracted vendor for RMS software and maintenance since the system was implemented on February 22, 1999. The RMS software application is proprietary to Tiburon. The software provides the ability to store information concerning crime reports, field investigations, and warrants. RMS also provides for State reporting and access to California Law Enforcement Telecommunications System (CLETS) services.

Over the years, Tiburon has developed many custom interfaces for RMS to meet the County's needs. It has developed interfaces with the State Automated Fingerprint Identification System, the County Detention system and the Department's Computer Aided Dispatch system.

On January 30, 2007 (3.40), the Board approved a single source award of a \$1.9 million contract to Tiburon to upgrade the system. During the bid process, the Sheriff's Department reviewed the demonstrations and documentation of nine other vendors, as a result, staff determined it would cost the County between \$4 and \$7 million for any of the interested vendors to develop the system customizations that Tiburon already had in place, and then they would start on the required upgrade. On September 18, 2007 (3.58), the Board approved Tiburon as the sole source provider of RMS software maintenance for seven years (the estimated remaining useful life of the software).

RMS is a mission critical software application that cannot be down for repairs for any extended length of time. At about seven years out from the last system upgrade, it is essential that Tiburon, the software developer, also maintain it. No other firm could be expected to maintain another firm's proprietary software.

As briefly described above, the Department's review of the marketplace seven years ago revealed that enlisting another vendor to develop a software application that provides the same features that Tiburon currently provides would be prohibitively expensive, costing perhaps \$12 Million. In addition, we would also be paying the new vendor to maintain its software. Therefore, The Sheriff's Department is recommending continuing to contract with Tiburon for RMS software maintenance through June 30, 2019.

Approximately 47% of the Tiburon software maintenance fee is recovered from RMS billing to contract cities and other agencies based on their usage. These revenues and costs are currently in the Sheriff's Department FY2014-15 proposed budget; therefore no budget adjustment is necessary.

Price Reasonableness

The County and Tiburon have executed a Master Support Agreement, which specifies that its annual maintenance fee shall not increase more than 5%. In a recent letter to the Sheriff's Department, the Tiburon Contracts Manager confirmed that the annual 5% increase is standard for other governmental agencies of similar size and software application complexity. Based on its FY 2014-15 \$205,736 fee, its ratio of maintenance cost to software cost is 10.8% (based on the \$1.9 Million software upgrade project cost). The computer industry's accepted upper limit of this ratio is 20%.

Impact on Citizens and Businesses

RMS is a mission critical software application for the Sheriff's Department. Tiburon developed this proprietary software application for implementation in 1999. It has also added a significant number of custom applications since that time. No other firm could be expected to maintain another firm's proprietary software.

Date: August 19, 2014

From: Will Taylor, Finance Director Department/Agency: Sheriff's Department

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement; Provide software maintenance for the Records Management System (RMS).

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:** The Sheriff's Department is requesting the provision of software maintenance for the Records Management System (RMS).
2. **Supplier being requested:** Tiburon, Inc.
3. **Alternative suppliers that can or might be able to provide supply/service:** None. RMS software is proprietary to Tiburon.
4. **Extent of market search conducted:** None. As stated above, the RMS software is proprietary to Tiburon. Since 1999, when RMS was implemented, at the Sheriff's request, Tiburon has significantly customized the original program and added a number of program interfaces. No other vendor could provide software maintenance.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Tiburon has customized RMS to meet the special needs of a large County. It has provided a customized warrant application and customized searches for names and locations. The firm has developed interfaces with the State (AFIS) fingerprint system, our Jail system, our CAD system, and with the Courts, so that we can receive warrants and warrant recalls electronically.

On January 30, 2007 (3.40), the Board approved a \$1.9 Million single source award of contract to Tiburon to conduct a RMS software upgrade, which was completed in 2008. On September 18, 2007 (3.58), the Board approved Tiburon as the sole source provider of RMS software maintenance for seven years, which, at the time, was staff's best estimate of the remaining useful life of the software.

6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** RMS is a mission critical software application that cannot be down for repairs for any extended length of time. It is essential that Tiburon, the software developer, also maintain it.

- 7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** When a software program reaches seven years of age, which is usually thought of as the end of its useful life, software developers customarily start to inordinately increase the annual maintenance cost due to the increased risk that software problems will arise.

Tiburon's Master Support Agreement with the County fixes the limit of the annual increase in its maintenance fee at 5%. Per a letter to the Department (dated August 15, 2014), Tiburon's Contracts Manager confirmed that the annual 5% increase charged to the County is standard for other governmental agencies of similar size and software application complexity. Its FY 2014-15 maintenance fee of \$205,736 is 10.8% of the \$1.9 Million software upgrade project cost. The computer industry's accepted upper limit of this ratio is 20%.

- 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).** Yes. Unless the County requests proposals for another Records Management System, the Sheriff should purchase software maintenance for the system from Tiburon.

- 9. **Period of Performance:** In addition to the Tiburon services supplied in FY 2014-15, the Department is requesting Board authorization for the County Purchasing Agent to purchase RMS software support and maintenance services from Tiburon for four additional years (a total of five years), provided the annual maintenance fee does not increase more than 5%.

Raymond Agopy 8/25/2014
 Chief Deputy Signature Date

[Signature] 8/19/14
 Department Head Signature Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove
 Not to exceed: \$ 205,736 One time Annual Amount through 6-30-19

[Signature] 8-25-14 15-167
 Purchasing Agent Date Approval Number
 (Reference on Purchasing Documents)



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or renewals

PR2014-01543
 Tracking Number for
 Internal Use Only

6/3

REQUESTED PURCHASE: SOFTWARE MAINTENANCE RENEWAL (RMS)																					
DEPARTMENT/AGENCY: SHERIFF/RMS																					
CONTACT NAME/PHONE: J WATLER 955-2043																					
PURCHASE REQUEST: <input type="checkbox"/> NEW EQUIPMENT/SERVICES <input type="checkbox"/> UPGRADE <input type="checkbox"/> REPLACEMENT																					
PURCHASE TYPE: <input type="checkbox"/> PROFESSIONAL SERVICES <input type="checkbox"/> SOFTWARE <input type="checkbox"/> HARDWARE <input checked="" type="checkbox"/> RENEWAL																					
DESCRIBE REQUESTED PURCHASE	Annual maintenance for the Sheriff's Department Records Management System. Form 11 3.58 09/18/2007 RCIT Approval Fy14 24719																				
BUSINESS NEEDS ADDRESSED	Application support and updates																				
ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> UNKNOWN																					
BUSINESS CRITICALITY <input checked="" type="checkbox"/> Run the business <input type="checkbox"/> Grow the business <input type="checkbox"/> Transform the business	BUSINESS IMPACT (SELECT ALL THAT APPLY) <input checked="" type="checkbox"/> Support current operations <input type="checkbox"/> Reduce Expenses <input type="checkbox"/> Improve Customer Service <input type="checkbox"/> Improve Operational Efficiencies																				
BUSINESS RISKS	Financial: N/A Operational: N/A Customer: N/A																				
ALTERNATIVE SOLUTIONS	1. [Solution] 2. [Solution] 3. [Solution]																				
TRANSACTION <input checked="" type="checkbox"/> Cash Purchase <input type="checkbox"/> Lease Purchase Lease Years: _____																					
PURCHASE COSTS (EST) Hardware: \$ Software: \$205,736 Labor: \$	COST BENEFIT ANALYSIS <table border="1"> <thead> <tr> <th></th> <th>ALTERNATIVE STATUS QUO</th> <th>ALTERNATIVE</th> <th>ALTERNATIVE</th> </tr> </thead> <tbody> <tr> <td>Current Annual Cost FY13</td> <td>\$ 195,940</td> <td></td> <td></td> </tr> <tr> <td>Ongoing Annual Cost FY14</td> <td>\$ 205,736</td> <td></td> <td></td> </tr> <tr> <td>Annual Cost Savings</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Net Annual Savings</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		ALTERNATIVE STATUS QUO	ALTERNATIVE	ALTERNATIVE	Current Annual Cost FY13	\$ 195,940			Ongoing Annual Cost FY14	\$ 205,736			Annual Cost Savings				Net Annual Savings			
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RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for
Internal Use Only

TOTAL COST: \$<205,736	Project Implementation Cost			
	Project Payback Period? yrs			

Department Head Signature: *[Signature]* Date: 6/13/14

RCIT RECOMMENDATION – for purchases and renewals under \$100,000

Recommended: Yes No (Non-recommended requests submit to TSOC)

By: *[Signature]* Date: 27-Jun-14

Chief Information Officer Signature: *[Signature]* Date: 24 July

RCIT explanation for non-recommended requests:

TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals

Recommended: Yes No (In no, provide explanation below)

TSOC Chair Signature: *[Signature]* Date: 20 July

TSOC explanation for denied requests:

TIBURON[®] INVOICE

3000 EXECUTIVE PKWY
SUITE 500
SAN RAMON, CA 94583
(925) 621-2700

PAGE:	1
INVOICE #:	IN 00006508
INVOICE DATE:	06/01/14
DUE DATE:	UPON RECEIPT
CURRENCY:	USD

BILL TO:

RIVERSIDE, COUNTY OF
Lt. Mark Potter
1500 Castellano Road
RIVERSIDE CA 92509
United States of America

Software Support & Maintenance: 07/01/14 - 06/30/15.

Contract: M20514 Riverside, Mnt-14
Customer PO#

-----Description-----	Quantity	Rate	Amount
LawRECORDS	0.00	0.0000	200,440.00
MSS Integration	0.00	0.0000	4,339.00
GDO	0.00	0.0000	957.00

Total	0.00		205,736.00
=====			
Final Total	0.00		205,736.00

Remit Payment To:
Tiburon, Inc.
3000 Executive Pkwy
Suite 500
San Ramon, CA 94583

EXHIBIT 2
To
Master Support Agreement

ESDB

COVERED APPLICATIONS

This Exhibit is attached to, incorporated into and forms part of the Master Support Agreement, dated January 1, 2009, between the Client and Tiburon (herein referred to as the "Agreement"). Capitalized terms used herein shall have the definitions set forth in the Agreement, unless otherwise defined herein. In the event of conflict between the terms and conditions set forth herein and those set forth in the Agreement, the terms and conditions set forth in the Agreement shall prevail.

Tiburon will provide the Basic Support described in Section 2.1 (Basic Support) of the Agreement for the software applications identified in the table below. The annual fee for such support shall be as set forth in the table below. Such support will commence upon the expiration of any applicable Warranty Period as set forth in the table below. Additionally, Client agrees to test all Tiburon provided corrections, whether reported by Client as Technical Service Requests (TSRs) or not, and either approve the correction or report issues being experienced with the correction within twenty (20) calendar days of receipt of such corrections. Upon Client's approval or failure to communicate issues with any particular correction within the specified time frame, the TSR will be closed if a TSR was opened, or Tiburon may suspend support services if the correction was a Tiburon initiated matter.

CLIENT # - M205-14

<u>Covered Application</u>	<u>Hours (24x7 or 8x5)</u>	<u>Make, Model, Serial Number of Authorized Server</u>	<u>Maintenance Period</u>		<u>Annual Fee</u>	
			<u>Period</u>	<u>Start Date</u>		<u>Stop Date</u>
LawRECORDS	24x7	HP, DL380G5, USE734N38K	12 Mo	7/1/14	6/30/15	\$200,440.00
MSS Integration	24x7		12 Mo	7/1/14	6/30/15	\$4,339.00
GDO	9x5		12 Mo	7/1/14	6/30/15	\$957.00
WebQuery		HP, DL380G5, USE734N38L	12 Mo	7/1/14	6/30/15	Included
Mobile ARS			12 Mo	7/1/14	6/30/15	Included
Total						\$205,736.00

Authorized Site

1260 Palmyrita Avenue
Riverside, CA 92507