

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



ITEM: 3.20  
(ID # 22436)

**MEETING DATE:**

Tuesday, July 18, 2023

**FROM :** PROBATION:

**SUBJECT:** PROBATION DEPARTMENT: Ratification and Approval of Amendment No. 1 to the Master Software Subscription Services Agreement with Miller Mendel, Inc. for Social Intelligence Services via eSOPH Background System, All Districts. [Aggregate Total Cost: \$636,421; up to \$63,642 in additional compensation; 100% Probation General Fund]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Ratify and approve Amendment No. 1 to the Master Software Subscription Services Agreement with Miller Mendel, Inc. for social intelligence services via eSOPH background system to increase the total contract aggregate amount, increased by \$479,838 from \$156,582 to \$636,420, through the termination date of April 25, 2027, and authorize the Chairperson of the Board to sign the Amendment on behalf of the County;
2. Authorize the Purchasing Agent to issue purchase orders to Miller Mendel, Inc. for an annual license for 3000 entries for the eSOPH background system software, without seeking competitive bids, for \$149,676 for annual license renewals starting the April 26, 2023; and
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that exercise the options of the Agreement including increasing the number of licenses and modifications to the scope of services that stay within the intent of the agreements, and to sign amendments to the compensations provisions that do not exceed 10 percent (10%) of the total contract aggregate.

**ACTION: Consent**

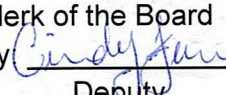
  
Christopher Wright, Assistant Chief 7/5/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Perez, Washington, and Gutierrez  
Nays: None  
Absent: None  
Date: July 18, 2023  
xc: Probation

Kimberly A. Rector  
Clerk of the Board  
By   
Deputy



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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$37,717	\$149,676	\$636,421	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> 100% Probation General Fund			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b> 22/23 - 26/27	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On April 26, 2022 (Item 3.37), the Riverside County Probation Department (Probation Department) implemented the Electronic Statement of Personal History (eSOPH) background investigation system via a Master Software Subscription Services Agreement (Agreement) with Miller Mendel, Inc. (Miller Mendel). eSOPH is a browser based, feature rich, case-management software application designed to electronically conduct all steps of the background investigation process, from the acceptance of background information from the applicant to the hiring of the applicant.

At the initial implementation of eSOPH, the Probation Department required approximately 495 background investigations per year based on the department's hiring plan. Due to the high background failure rate, the department is increasing the number of licenses to account for applicants who are entered into the system but are ultimately unsuccessful.

This Amendment No. 1 will increase the annual license number of entries from 495 to 3000 and authorize the Purchasing Agent to issue purchase orders to Miller Mendel in the amount of \$149,676 for annual license renewals starting April 26, 2023, through the remaining four years of the Agreement.

**Impact on Residents and Businesses**

This Agreement will provide the necessary services to meet the operational processes for the Probation Department that modernize the background investigation process, eliminates/minimizes the delays and costs associated with the paper-based system, and reduces the processing time before new applicants are hired.

**Additional Fiscal Information**

Funding for the Agreement will be budgeted through the normal County budget process. Budget adjustments will not be necessary.

**Contract History and Price Reasonableness**

On April 8, 2022, the Purchasing and Fleet Services Department approved a Sole Source Justification (REQ#156022596) for Miller Mendel and its eSOPH background investigation system. This Sole Source Justification was approved given that the use of the eSOPH system

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is exclusive to Miller Mendel who holds its intellectual property rights under U.S. Patent No. 9070098 (issued June 30, 2015) and U.S. Patent No. 10043188 (issued August 7, 2018).

Subsequently, on April 26, 2022 (Item 3.37), the Board of Supervisors (Board) approved the Agreement with Miller Mendel for background investigation software, effective April 26, 2022 through December 31, 2026, under a not-to-exceed annual compensation amount of \$29,717 (an \$8,000 one-time setup fee was charged during the first year).

The current proposed Amendment No. 1 will require Board approval given that the Probation Department is seeking to increase the original Board approved number of entries for the eSOPH background system software from 495 to 3000 entries; thereby increasing the maximum annual compensation amount of the Agreement to \$149,676. Additionally, Amendment No. 1 will modify the support services terms of the Agreement and extend the contract term through April 25, 2027.

Currently, there are thirteen (13) government agencies using the eSOPH background system. Each contract price is based on the highest paid investigators hourly rate within the department. Miller Mendel has provided Quote No. 872 for entries to be processed during the second year of the Agreement. Quote No. 872 includes a 13% discount rate for each entry, starting April 26, 2023, equating to approximately \$19,350 in cost avoidance.

**ATTACHMENT:**

**Amendment No. 1 to the Agreement with Miller Mendel, Inc.**

  
Meghan Hahn, Deputy Director of Procurement 7/5/2023

COUNTY OF RIVERSIDE  
AMENDMENT NO. 1 TO THE AGREEMENT  
WITH  
Miller Mendel, Inc.

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Original Contract Term: 4/26/2022 through 12/31/2026  
Contract Term Extended To: 4/25/2027  
Effective Date of Amendment: 4/26/2023  
Original Annual Maximum Contract Amount: \$29,716.45  
Amended Annual Maximum Contract Amount: \$149,676.00  
County Internal Contract ID: PRARC-PSA-0004294

This Amendment No. 1 to the Master Software Subscription Services Agreement to provide an annual license for entries for the eSOPH Background System (hereinafter "Amendment No. 1") is made and entered into by and between the County of Riverside, a political subdivision of the state of California, (hereinafter "COUNTY") and Miller Mendel, Inc., a Washington corporation (hereinafter "CONTRACTOR").

**Recitals**

**WHEREAS**, COUNTY and CONTRACTOR entered into that certain Master Software Subscription Services Agreement for use of, and annual license for, entries into the eSOPH background systems software, effective April 26, 2022 (the "Service Agreement");

**NOW THEREFORE**, in consideration of the mutual promises contained hereafter, COUNTY and CONTRACTOR agree to amend the Service Agreement according to the terms and in the manner set forth herein:

**1. Recitals.** The above recitals are true and correct and are incorporated herein by reference.

**2. Section 3 Fees and Payment, Subsection 3.1.7 Fees for Administrative User(s).** The second sentence of Section 3 Fees and Payment, Subsection 3.1.7 Fees for Administrative Users(s) is hereby amended to read as follows:

"Fees for Support Services, which shall not exceed 15% of the total cost of entries over the term of this Service Agreement, will be listed in a Quote accompanying a Quote for Entries for the Subscription Year."

**3. Exhibit B.** The COUNTY accepts CONTRACTOR's Quote No. 872, incorporated herein as Exhibit B and governed by the terms of the Services Agreement, dated May 09, 2023, to increase annual entries from a quantity of 495 to a quantity of 3000 and agrees to pay CONTRACTOR an annual rate of one hundred forty-nine thousand, six hundred seventy-six dollars (\$149,676.00), including administrative and annual fees, based on the availability of fiscal funding.

JUL 18 2023 3.20

COUNTY OF RIVERSIDE  
AMENDMENT NO. 1 TO THE AGREEMENT  
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Miller Mendel, Inc.

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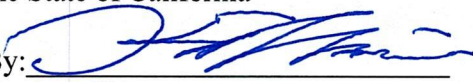
4. **Miscellaneous.** All other terms and conditions of the Service Agreement not modified herein shall remain unchanged.

5. **Effective Date.** This Amendment No. 1 to the Service Agreement shall become effective on April 26, 2023.

6. **Electronic Signatures.** This Amendment No. 1 may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party to this Amendment No. 1 agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (“CUETA”) Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Amendment No. 1. The parties further agree that the electronic signatures of the parties included in this Amendment No. 1 are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of “electronic signature” as defined in subdivision (i) of Section 1633.2 of the Civil Code.

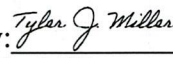
**IN WITNESS WHEREOF**, the parties hereto have caused their duly authorized representatives to execute this Amendment No.1.

**COUNTY OF RIVERSIDE**  
a political subdivision of  
the State of California

By:   
Kevin Jeffries  
Chair, Board of Supervisors


Dated: 7/18/23

**MILLER MENDEL, INC.** a  
Washington corporation

By:   
Tyler Miller  
President and CEO

Dated: 07/03/2023

ATTEST:  
KIMBERLY RECTOR  
Clerk of the Board

By: 



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APPROVED AS TO FORM:

Minh C. Tran

County Counsel

*Lisa Sanchez*

By: [Lisa Sanchez \(Jul 3, 2023 16:38 PDT\)](#)

Lisa Sanchez,

Deputy County Counsel



COUNTY OF RIVERSIDE  
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**Exhibit B**



1425 BROADWAY, #430  
 SEATTLE, WA 98122

Please email all inquiries to:  
[Accounting@MillerMendel.com](mailto:Accounting@MillerMendel.com)

Tax ID (FEIN): 27-1802751 [Click here for W9](#)

Riverside County Probation Department  
 Accounts Payable  
 3960 Orange St., Suite 600  
 RIVERSIDE CA 92501

QUOTE DATE	QUOTE EXPIRES	QUOTE NO.	CLIENT ID
May 09 2023	Jul 10 2023	872	RCP01

**Reference:** eSOPH Background System. Client's Purchase Order #:

DESCRIPTION	QTY	PRICE	TOTAL
Entry into the eSOPH system. Includes 60.0 GB of data storage credit for License Year.	3000.00	42.5800	127740.00
Support to Primary Administrative User during License Year (per term 3.1.7 of licensing agreement. 15% of total amount for Entries).	1.00	19161.0000	19161.00
Add POST module to account. Annual fee.	1.00	375.0000	375.00
Possible data storage overages or archive storage charges. For budgetary purposes only.	1.00	2400.0000	2400.00
Subtotal:			149676.00
Discount:			
Taxes:			0.00
Total Due:			149676.00

**Terms & Additional Details**

- Client will be invoiced at the end of each quarter for all data storage used over the Data Storage Credit amount listed within the first line item above. Storage used over the Data Storage Credit amount listed will be invoiced at a rate not to exceed \$15.00 per GB, per month.
- Client will be invoiced at the end of each quarter for all archive storage used. Archive data storage used will be invoiced at a rate not to exceed \$3.50 per GB, per month. Archive storage is enabled through automated policies set in the system by Client.
- The fax service within eSOPH is disabled unless Client has requested in writing the service be enabled and the annual fax service module price is listed above. In addition to the annual price listed above for the module, each page sent or received through the fax service will be invoiced to Client at a rate of five cents per page. If a fax transmission takes longer than the normal permitted time allotted by the fax provider (Interfax), additional "units" are assessed. Each unit is five cents. Client will be invoiced at the end of each quarter for the total pages/units used, per Interfax.

Thank you for your business!

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Miller Mendel, Inc.

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4. The Experian credit report service is disabled unless the service is enabled per addendum agreement between MMI and Client. Client will be invoiced at the end of each quarter for all credit reports Client requested at a rate of \$4.50 per report.
5. The Social Intelligence social media screening service is disabled unless the service is enabled per addendum agreement between MMI and Client. Client will be invoiced at the end of each quarter for all social media screening reports Client requested at a rate of \$20.00 per report.
6. Pricing stated for optional services (e.g., fax, credit report and social media screening report services) for future license years is "best guess pricing" and is not guaranteed. MMI cannot control the pricing of those third party services in the future.
7. Unless otherwise agreed to in writing between Client and MMI, invoices are Net 30 via EFT, ACH, or check. Checks should be mailed to the address listed at the top of page 1. MMI is unable to accept payment via credit or charge cards.
8. Only Washington clients are subject to tax. Data storage is not subject to tax under Washington law.
9. All other Terms and Conditions are set forth in MMI's MSLSA / MSSSA (licensing agreement). Client's issuance of a purchase order to MMI related to this quote is Client's acceptance of the terms and conditions within the executed MSLSA / MSSSA between Client and MMI, and the terms stated within this document, including pricing. Terms stated in Client's purchase orders are rejected by MMI and only those terms in the executed MSLSA / MSSSA and any agreed to addendum(s), are accepted by MMI.

Thank you for your business!









# Amendment No. 1 to the Agreement between Miller Mendel Inc. (eSOPH Services) and County of Riverside Probation Department

Final Audit Report

2023-07-03

Created:	2023-07-03
By:	Jose (Tony) Curiel (jocuriel@rivco.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAUTI5vjawLgCQ6U-xeOdNjLRUQnrKYUKP

## "Amendment No. 1 to the Agreement between Miller Mendel Inc. (eSOPH Services) and County of Riverside Probation Department" History

-  Document created by Jose (Tony) Curiel (jocuriel@rivco.org)  
2023-07-03 - 9:22:22 PM GMT
-  Document emailed to Tyler Miller (tjm@millermendel.com) for signature  
2023-07-03 - 9:24:02 PM GMT
-  Email viewed by Tyler Miller (tjm@millermendel.com)  
2023-07-03 - 10:22:16 PM GMT
-  Document e-signed by Tyler Miller (tjm@millermendel.com)  
Signature Date: 2023-07-03 - 10:24:08 PM GMT - Time Source: server
-  Document emailed to Lisa Sanchez (lisanchez@rivco.org) for signature  
2023-07-03 - 10:24:09 PM GMT
-  Email viewed by Lisa Sanchez (lisanchez@rivco.org)  
2023-07-03 - 11:37:36 PM GMT
-  Document e-signed by Lisa Sanchez (lisanchez@rivco.org)  
Signature Date: 2023-07-03 - 11:38:38 PM GMT - Time Source: server
-  Agreement completed.  
2023-07-03 - 11:38:38 PM GMT