

OFFICE OF COUNTY COUNSEL INTER-DEPARTMENT MEMORANDUM

TO:

Linda Silacci-Smith, Procurement and Contracts

FROM:

Janeth SanPedro, Deputy County Counsel

DATE:

August 15, 2013

RE:

Sonitrol Agreement - Contract #149-S1411

The County has several separate existing contracts with Sonitrol for the routine monitoring, maintenance and repair services for the access control systems for certain County facilities. The County intends to terminate the existing separate agreements and enter into a county-wide master agreement with Sonitrol.

Sonitrol has proposed changes to the standard form of indemnity language used in the County's service contracts. The changes would limit Sonitrol's liability to only those damages that are caused directly by its employees while on County premises. For any other losses due to a failure of the alarm system or Sonitrol's failure to properly monitor the system, Sonitrol's liability to the County is limited to the total amount of 6 monthly monitoring payments or \$250, whichever is less. Staff had requested Sonitrol to accept the County's standard indemnity provision, which Sonitrol had agreed to in its existing contracts with the County, but this time Sonitrol refused.

We understand that the proposed changes are typically found in alarm service contracts because alarm companies do not act as insurers for their clients. While we have no objection to the proposed language and have approved the contract as to form and legal sufficiency, please note that the changes substantially increase the risk for the County. However, if the agreement is not approved, Sonitrol's access control systems in the listed County facilities would need to be replaced and the cost of doing so would likely exceed the amount of this agreement.