

**NEKO Industries Inc.**  
Olympus Corporate Center  
3017 Douglas Blvd. #300  
Roseville, CA. 95661  
Telephone: (916) 774-7125  
Fax: (916) 983-9778

NE30828-08232006-8427-2



December 2, 2014

City of Stockton  
Concepcion Gayotin  
22 E. Market Street  
Stockton, Ca 95202

*RE: Extension of OnBase Hosted Imaging Solution Award Dates: April 1, 2015 through March 31, 2016.*

NEKO Industries hereby agrees to extend agreement for an additional year of Hosted Imaging Services for the City of Stockton, honoring the terms, of previously awarded contract by bid: Contract NE30828-08232006-8427-1. (Please see previously executed contract attached).

Contract is being extended per mutual agreement as set forth in NE30828-08232006-8427-2.

Please find attached:

- a) 2015 Hosted Solution Attachment renewal Signature -- NE30828-08232006-8427-3
- b) 2015 Online Hosted Monthly Pricing Attachment -- NE30828-08232006-8427-4.
- c) 2015 Online Hosted Pricing options -- NE30828-08232006-8427-5.
- d) NEKO Industries Certificate of Liability Insurance. (Separate Attachment).

Please call me at 916-774-7125 with any other needed information.

Regards,



Ronald J. Hofhenke  
Partner  
NEKO Industries Inc.

## ONBASE ONLINE HOSTED SOLUTION ATTACHMENT

1. ONBASE ONLINE HOSTED SOLUTION AGREEMENT BETWEEN NEKO INDUSTRIES INC. AND CITY OF STOCKTON, CALIFORNIA DATED November 6th, 2006 ("Agreement"). Capitalized terms used in this Hosted Solution Attachment and not defined in this Hosted Solution Attachment are used herein with the same meanings as such terms have under the Agreement.

## 2. HOSTED SOLUTION:

- a. Summary Description: City-wide Document Management System  
b. OnBase Software:

Product Description	Product Code	QTY
Multi-User License	OBIPW1	1
Web Server	WTIPW1	1
Document Import Processor	DPIPW1	1
Disconnected Scanning Module	DSIPIW1	1
Disconnected Scanning Module	DSIPIW2	12
Concurrent Client	CTIPC1	40
Application Enabler	AEIPI1	1
Kofax Integration	KFIPI1	1
GroupWise Integration	GPWW1	1

- c. Standard storage capacity: seventy-one (71) gigabytes. Customer may purchase additional storage capacity for Additional Storage Charges as agreed upon with the Authorized Solution Provider.

## 3. BACKSTOP SERVICES

- o Database Backup Validation and Backup Storage Services (Quarterly)

## 4. TERM OF USE OF HOSTED SOLUTION:

Subject to early termination of the Agreement in accordance with Section 10 thereof this Hosted Solution Attachment will have a term of one (1) year(s); and (if not terminated earlier) this Hosted Solution Attachment shall expire at the end of such term. The parties may upon mutually agreement, enter into a new Hosted Solution Attachment or extend the term of this Hosted Solution Attachment.

IN WITNESS WHEREOF, the parties have duly executed this Hosted Solution Attachment Extension Term on the respective dates set forth below.

CITY OF STOCKTON, CALIFORNIA

By: \_\_\_\_\_

Print Name

Title

Date

NEKO INDUSTRIES INC.

By: R. J. Hofhenke

Ronald J. Hofhenke

Print Name

Partner

Title

December 2, 2014

Date

**City of Stockton Hosted Imaging System Pricing Attachment**

Date 12/2/2014  
Quote

3017 Douglas Blvd. Suite 300  
Roseville, CA. 95661  
(916) 774-7125

B	City of Stockton	S	City of Stockton IT
I		H	Attn:PO
L	Attn: Barbara Vigil	I	Attn:PO Barbara Vigil
L	400 E. Main Street, 4th Floor	P	400 E. Main Street, 4th Floor
	Stockton, CA. 95202		Stockton, CA. 95202
T		T	
O	209-937-8082	O	209-937-8554

Ord No	Order Date	Customer Number	Imaging Specialist	Purchase Order No.
			Ronald J. Hofhenke	

**List**

QTY	Item Number	Imaging System Description	Price	Price	Ext. Price
		<b>Contract Period: 4-1-15 through 3-31-16</b> <b><u>Billed Monthly in arrears</u></b> <b><u>Billing Period: 4-1-15 to 4-30-15</u></b> Account #: 502-7450-670.20-65 Last Year (2012) reference= 167853  <b>Imaging Hosting Costs -- Monthly</b> <b>A: BASE CHARGES (Split by Department)</b> #1: OBOL Monthly Hardware & Networking Base Charge 3% #2: OBOL Monthly Software Subscription Price 4% #3a:Harddrive Storage #4: OBOL Administration 1% Monthly Webex Support - NEKO #3b: Total Storage GB @ 2.00 per Gigabyte (Primary and Secondary)			
1	Hardware		4,439.40	\$	4,439.40
1	Subscription		\$5,536	\$	5,536.00
1	Storage		51.60	\$	51.60
1	Administration		1,284.00	\$	1,284.00
1	Support			\$	1,625.00
1070	Storage		2.00	\$	2,140.00
		<b>Optical Backup Costs -- Monthly</b> Add Optical backup to COS Monthly OBOL Based on storage per Gig. All data written to WORM storage This includes all hardware maintenance, platter etc.			
501	Opt-backup		\$6.00		\$3,006.00
1	Special	Department Add: City Clerk	\$ 475.00	\$	475.00
		Subtotal			\$18,557.00
		Tax	8.00%		n/a
		TOTAL			\$18,557.00



# **City of Stockton EDM Online**

Getting Started with City of Stockton Imaging System

Presented

March 1, 2015

NE3028-08232006-8427-5

Presented by

NEKO Industries, Inc.  
3017 Douglas Blvd #300  
Roseville, CA 95661  
Tel: 916-774-7125



## **COS EDM Online:**

### ***Mission Statement***

Provide customers a 'fast track' way of getting images 'online' and provide an industry-strength application that can manage all scanned images and electronic documents. Provide a system that has state-of-the-art disaster recovery and security mechanisms built in.

### ***Goals and Objectives***

To work together as a cohesive unit and be to be easy to do business with. To establish testing procedures before implementation and review procedures after implementations the experience continues to be enhanced and return on investment is accelerated for COS customers.

### ***Executive Summary***

Customers are becoming increasingly conscious of the benefits and costs associated with document management solutions and are savvy as to their options for deploying these solutions. In an effort to give customers the benefits of these solutions with limited "up front" costs, Hyland Software has created a hosted OnBase environment, named OnBase OnLine (OBOL).

OnBase Online is a hosted deployment of Hyland's OnBase® Information Management System software (OnBase). In this deployment, OnBase resides on servers hosted by Hyland Software, Inc., with customer access occurring through secure Internet access to the OnBase software and customer data.

The City of Stockton (COS) has contracted with NEKO Industries Inc. to create an Online Hosted environment for Imaging and Document Management. This includes implementing a browser-based imaging system quickly and efficiently along with full disaster recovery and support. Data redundancy, security and index models will all adhere to COS standards. Additionally, NEKO will deliver a full and tested conversion tool for departments for all images stored.

In short, the departments of the City of Stockton, will be able to get 'online' with their images whether the images are scanned locally, outsourced or imported electronically. The imaging system implemented by NEKO Industries Inc., will have all of the design and functionality of a full enterprise-wide imaging system.

The proposed solution is an Enterprise Document Management system offered by Hyland Software, one of the best known leaders in the EDM industry. According to DocuLabs,

"Hyland OnBase, with its breadth and depth of capabilities and unified platform, provides one of the most flexible and intuitive EDMS solutions available in the market today."

*"If some of our other software worked half as well as OnBase, my role as director of IT would be painless."*

**John Neidert,  
Wayne Homes**

As for design and integration, NEKO is somewhat unique in its position. We are 100% focused on the design, implementation and support of document management technology and its seamless integration into the work practices of our customers. Not being distracted by other technologies, we can offer our customers a solution provider that really understands the issues and options for Document Management. In addition, NEKO Industries is local to the area for over 14 years providing EDMS solutions to Central and Northern California colleges, cities, counties and corporate customers. NEKO Industries Inc. is one of the few companies that have been awarded contracts on the State of California MSA since its inception.

## **Benefits**

NEKO Industries Inc. has worked hard to provide a unique set of differentiators on behalf of COS.

- World Class EDMS in an ASP (Hosted) Model
- Fast Track Implementation of Initial Departments
- Custom Search and Retrieval Interfaces
- Low-cost Department Implementation
- Complete Support for Images Already Scanned or to-be-scanned from Back-file Vendors
- Guaranteed Portability of Images and Indexes
- Manufacturer Executive Sponsorship
- Proven Premium Service and Support Included
- Special Department Pricing concessions to accommodate work and deliverables by EDMS analysis and indexing methodology analysis (ThirdWave and Gladwell Government Systems) COS will have best of all scenarios.
- Solution is one database, one architecture rather than a merging of differently developed technologies
- Latest in hardware server technology, High Availability Up-times, World Class disaster recovery, full telephone support and software upgrades.
- Local VAR in NEKO Industries Inc. that has been providing EDM solutions for 20 years
- An Imaging Implementation Methodology that is proven

## **Deliverables**

- Documents Online with little upfront costs in about 2 weeks
- Documentation on Store and Retrieve Processes
- Full Software Support and Upgrades
- Full Adherence to Indexing methodologies studies under-way at COS
- Full Ability to export your images out of the system if needed
- Full IT support with latest disaster recovery and security implemented

## **COS EDM Online:**

### **How do I get started? Implementation of Imaging in Your Department**

- I. **Contact your COS Imaging team** to indicate your interest...even if it is just for a demonstration. They will set a schedule for you to visit with NEKO Industries Inc. for a free consultation.
- II. **Department Document Inventory Review**  
NEKO will review workflows done in EDMS study as they relate to each department and create an implementation template. NEKO will then schedule a proof of concept for customer review and testing training to arm the department with the tools to properly test the proof of concept.
- III. **Proof of Concept and Preliminary Sign-off**
- IV. **Testing Training**  
Department testing and review in this step. Scanning or Backfile Scanning is tested in this step as well. Department will give feedback on required changes.
- V. **Department Training**  
Department is ready to go, so formal on-site training takes place and documentation is delivered
- VI. **Department Go-Live Date**  
Users are ready to go live.

## Sample Department Project Plan

### **Departmental Requirements**

- Complete Document Inventories
- Review Inventories and define security and capture

Review Analysis already completed

- Define Document Stores

- Define Indices

- Define Security

- Define Capture

- Document Configuration

- Approve Above Configuration

### **Departmental Install**

- Install Scanners / Implement Backfile

- Install Capture software

- Install EDMS

- Configure Capture

- Conduct Departmental initial test (Proof of Concept)

- Schedule Departmental Training

- Departmental Documentation

- Departmental Testing

- Conduct Departmental Training

### **Department Testing**

- 1:1 follow-up training

- Conduct Acceptance test

- Clean System of test data

### **Go Live**

### **Review with Team**

This process is one that our goal is to be implemented in two weeks to begin production scanning or begin back-file scanning.

Key points to this process are the ability of the department to have a week of testing on their documents prior to proceeding forward.





## **NEKO / OnBase On-Line 2015/2016 / ASP Model Pricing / cos.onbaseonline.com**

### **Department Pricing Information**

#### **Adding New Departments Costs**

NEKO services required (Quote for departments):

- Configuration
- Process administration
- Importation of documents - scanning, indexing.
- How much storage is needed
- Workflow consulting and management.
- Training and ongoing support

#### **Base Install Fees:**

Estimated ASP Online services required for adding a new Department. (no scanner)

- Training – 1/2 days: \$ 485.00 (2 hrs user training, 2 hrs scan and index training)
- New Department analysis and configuration of database, document types, keywords, etc.: \$5,150.00  
(Based on estimated average of 27 hours of work)
- Database Integration for Index Automation 995.00 (H.T.E., SQL or Access definitions and Integrations)
- Travel 600.00 (average 2 one-way trips)

#### **Variable Install Fees:**

- Initial File Import Charge: \$.01 per page imported + applicable services (DIP definition, indexing, etc); quote required for actual pricing.
- Scanner Purchase: (1k-4k)
- Scanning Software Purchase: (200-3300. Most are OnBase scanning which is 200)
- Additional Users Purchase: 96.00 upfront costs, plus a monthly fee.

#### **Monthly Fees:**

95.00 per month in concurrent user costs and administration.

100.00 per month in remote scanning costs per department. (Software only, no scanner hardware)

#### **Example 1 Cost of adding a new Department to City Enterprise Imaging.**

Typical Example of a Department install with no existing docs to load electronically, assuming one application integrated with imaging, and 5 concurrent users. (Software and service only):

**Upfront Costs = 5,635.00 (training and new dept setup)**

**Database Integration = 995.00 (H.T.E. or Access)**

**Monthly User Software Costs= 595.00 (adding 5 user licenses)**

**Monthly User Support/Admin costs = 125.00 per month**

**Storage Conversion Costs= 2.00 per Gig (updated at end of every month)**

**Travel= N/C for 2013.**

#### **Summary:**

- I. The typical 5-user department can get imaging implemented for 6630.00 upfront
- II. The typical 5-user department monthly hardware, software and maintenance costs would be 595.00 per month plus administration cost.
- III. Department Administration costs would be an additional 125.00 per month\*
- IV. The department would likely have to buy a scanner unless they were getting all docs scanned by a third party or another department.

## Attachment C

\* Note: This includes full On-site support, Webx support and software upgrades by NEKO Industries Inc. This is a fully outsourced solution of software and hardware and support.

### **Hosted Server Setup**

*Two Dedicated Web Servers; Shared Database and File Servers; recurring monthly fee for software and hardware used. Additionally, all documents stored onto Optical Server to satisfy State Standards of document WORM compliance.*

- Complete software and hardware
- Complete software and hardware maintenance included
- Complete disaster recovery included
- Secured URL provided
- Pricing includes software usages fees, hosting fees, storage fees and software maintenance (Services and Phone Support NOT included)
- Storage limit is equal to 1 Gigabyte per \$1000 of software; additional storage is available at \$3 per GB

## **FAQ's: Frequently Asked Questions**

### **How do I access the software?**

OnBase Online is instantly accessible through a connection to the Internet, proper security clearance and an Internet Explorer web browser (Internet Explorer, 7 or greater).

### **Who owns the software?**

As with all software licenses, Hyland Software owns the OnBase Software. Your license fee (either paid upfront or on a monthly subscription basis) gives you the right to use the software.

### **Who owns the data?**

Customers own all of their data. All OnBase Online [customer?] data is archived and can be retrieved upon request.

### **How secure is my data?**

One of the benefits of working with a hosted application is having access to the latest in security technology. Hyland Software and our hosting provider provide the equipment, applications, and expertise to apply the latest practices allowing for superior levels of security, backup, and disaster recovery. Security assurance measures include a three-tier system, which utilizes both physical and virtual barriers. Security measures are in place at all levels of service: security for the network firewall, application security, customer security, and user security.

### **What happens if a server goes down?**

The hosting site infrastructure has automatic backups in place. The entire infrastructure, from Internet backbone connections, to redundant power feeds and generators, to full redundancy on hardware, is designed to be fault tolerant to deliver nearly 100%.

### **Can I move data between existing applications and OnBase Online?**

Yes. OnBase Online can be integrated with your existing enterprise business systems through a standard communication protocol, or by using the Application Enabler Module.

Other applications that reside on your personal computer or that are custom developed may require more specific solutions.

### **Are there any additional software and hardware costs?**

Subscription fees are for the base applications and the equipment. If you require dedicated equipment, additional modules, additional training or custom integration, those fees would be priced separately.

### **Who provides training?**

OnBase training and ongoing support is provided by your authorized OnBase Reseller, or by Hyland Software. Configuration and training for your staff is included as part of the up front implementation fee. Client training and follow-up training can all be arranged. Those fees would be priced separately.

### **Ok, I'm in, so does this mean we do not need the Indexing Study going around now?**

They go hand in hand. Your Indexing Study is crucial for Enterprise success and NEKO will work to make sure this is replicated in the Imaging System.

### **I'm all setup, I love imaging. I need a new document type added, how much?**

You are covered. Simply call your imaging team to make a request.

### Who do I call to get started?

Call IT at City of Stockton. He will put you in touch with NEKO Industries Inc. for an on-site consultation and/or a proof of concept showing your documents and document flow in the new imaging system.

### How long will a typical installation take till I can start retrieving images?

About 2 weeks per department.

### Who do I call for support?

You may call NEKO Industries Inc. @ 916-774-7125 and ask for service. All escalations or other questions will be directed to Ron Hofhenke at the same number and email address:

[rjh@nekoind.com](mailto:rjh@nekoind.com).

TO OPEN A SUPPORT TICKET VIA EMAIL:  
[CUSTOMERSUPPORT@NEKOIND.COM](mailto:CUSTOMERSUPPORT@NEKOIND.COM)