

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is entered into this ____ day of _____ 2017, between the CITY OF STOCKTON, a municipal corporation ("City"), and Hines EDM Inc. a California Corporation whose address is 1380 Lead Hill Blvd., Suite 106, Roseville, CA 95661 and telephone number is (916) 784-8436, ("Consultant").

RECITALS

- A. Consultant is qualified to and experienced in providing imaging services and microfilm/microfiche conversion for the purposes specified in this Agreement.
- B. City finds it necessary and advisable to use the services of the Consultant for the purposes provided in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and conditions in this Agreement, City and Consultant agree as follows:

1. **Consultant's Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in **Exhibit A**. Consultant shall provide said services at that time, place and in the manner specified in **Exhibit A**.

2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in **Exhibit A**, Consultant shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. City shall furnish to Consultant only the facilities and equipment listed in **Exhibit A** according to the terms and conditions set forth in **Exhibit A**.

3. **Term.** Consultant shall perform the scope of work as described in **Exhibit A**, which is attached to this Contract and incorporated by this reference. This Agreement shall commence on the date written above and shall expire on June 30, 2020, with option for up to two one-year extensions with a 3% annual increase.

4. **Compensation.** City shall pay Consultant for services rendered pursuant to this Agreement as described more particularly in **Exhibit A**. The payments shall be made on a monthly basis upon receipt and approval of Consultant's invoice. Total compensation for services and reimbursement for costs shall not exceed \$198,074.

- a. Invoices submitted by Consultant to City must contain a brief description of work performed, time used and City reference number. Payment shall be made within thirty (30) days of receipt of Consultant's invoice and approved by City.

- b. Upon completion of work and acceptance by City, Consultant shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Consultant fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

5. Sufficiency of Consultant's Work. All reports, drawings, designs, plan review comments and work product of Consultant shall be adequate and sufficient to meet the purposes for which they are prepared.

6. Ownership of Work. All reports, drawings, designs, plan review comments, work product, and all other documents completed or partially completed by Consultant in the performance of this Agreement shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Consultant agrees to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Consultant shall replace them at its own expense. Consultant shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

7. Changes. City may request changes in the scope of services to be provided by Consultant. Any changes and related fees shall be mutually agreed upon between the parties and subject to a written amendment to this Agreement.

8. Consultant's Status. In performing the obligations set forth in this Agreement, Consultant shall have the status of an independent contractor and Consultant shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Consultant are its agents and employees and are not agents or employees of City.

9. Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Consultant. The Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the work actually completed at the time the notice of termination is received.

10. Non-Assignability. The Consultant shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written

consent of the City, and then only upon such terms and conditions as City may set forth in writing. Consultant shall be solely responsible for reimbursing subcontractors.

11. Indemnity and Hold Harmless To the fullest extent permitted by law, Contractor shall hold harmless, defend at its own expense, and indemnify the City of Stockton, its Mayor, Council, officers, representatives, agents, employees and volunteers, against any and all liability, claims, losses, damages, or expenses, including reasonable attorney's fees, arising from all acts or omissions to act of contractor or its officers, agents, or employees in rendering services under this contract; excluding, however, such liability, claims, losses, damages, or expenses arising from the City of Stockton's sole negligence or willful acts. The duty to defend and the duty to indemnify are separate and distinct obligations. The indemnification obligations of this section shall survive the termination of this agreement.

12. Insurance. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B and shall otherwise comply with the other provisions of Exhibit B.

13. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed as follows:

To Consultant:	Lonnie Hines President 1380 Lead Hill Blvd., Ste 106 Roseville, CA 95661	To City:	City Manager City of Stockton 425 N. El Dorado Street Stockton, CA 95202
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14. Conformance to Applicable Laws. Consultant shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Consultant shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

15. Licenses, Certifications and Permits. Prior to the City's execution of this Agreement and prior to the Consultant's engaging in any operation or activity set forth in this Agreement, Consultant shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Consultant covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement.

16. Records and Audits. Consultant shall maintain all records regarding this Agreement and the services performed for a period of three years from the date

ATTACHMENT A

that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit.

17. **Confidentiality**. Consultant shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

18. **Conflicts of Interest**. Consultant covenants that other than this Agreement, Consultant has no financial interest with any official, employee or other representative of the City. Consultant and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Consultant's services under this Agreement. If such an interest arises, Consultant will immediately notify the City.

19. **Waiver**. In the event either City or Consultant at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation.

20. **Governing Law**. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the federal District Court of California, Northern District, Sacramento Division.

21. **No Personal Liability**. No official or employee of City shall be personally liable to Consultant in the event of any default or breach by the City or for any amount due Consultant.

22. **Exhibits**. All exhibits referred to herein are attached hereto and are by this reference incorporated herein.

23. **Scope of Agreement**. This writing constitutes the entire Agreement between the parties. Any modification to the Agreement shall be in writing and signed by both parties.

THIS AGREEMENT executed the date and year first above written.

CITY OF STOCKTON

HINES EDM, INC.

KURT O. WILSON
CITY MANAGER



LONNIE HINES
PRESIDENT

ATTACHMENT A

ATTEST:

APPROVED AS TO FORM:

**BONNIE PAIGE
CITY CLERK**

**JOHN LUEBBERKE
CITY ATTORNEY**



ABOUT HINES EDM

Hines EDM has been providing “Enterprise Document Management” services to local public agencies since 1999. Presently the company is serving numerous northern California cities providing both enterprise document management system software and paper to electronic document conversion services (including the conversion of microforms).

PURPOSE

The purpose for this document is to provide a contractual SCOPE OF WORK between HINES EDM, INC. (hereinafter Hines) and CDD OF STOCKTON, COMMUNITY DEVELOPMENT DEPARTMENT (hereinafter CDD) for the analog to electronic document conversion services of department recordation, both paper and microform (e.g. microfilm and microfiche). This document also maintains the RATE SCHEDULE and various RATE SCHEDULE illustrations based upon quantities and optional services.

TERMINOLOGY

- ❖ “Large Format” is any document greater than 11”x17” in size
- ❖ “Small Format” is any document 11”x17” or smaller
- ❖ “Microform” is either microfilm or microfiche both 16MM and 35MM
- ❖ “COM (Computer Output Microfiche)” is not a photographic microform process, rather computerized data from a mainframe. The methodology was developed to save expensive memory space without having to print voluminous paper
- ❖ “Bi-Tonal” means the scan is black-and-white but not greyscale
- ❖ “EDMS” means Electronic Content Management System either commercial-off-the-shelf or non-commercial non-proprietary established by Hines
- ❖ “Backlog” refers to the content to be scanned that has not been recently submitted to the CDD
- ❖ “Go-Forward” scanning refers to the content to be scanned once the backlog has been mitigated



CONTACT INFORMATION

Matthew Monaghan
Hines EDM
1380 Lead Hill Blvd., #106
Roseville, CA 95661
(916) 784-8436
matt@hinesedm.com

SCOPE OF WORK

A) CDD Records Scanning Services

- 1) Hines will provide a scanning and imaging process with the resulting images being sent to the CDD for import into a document repository. All images shall include the associated indexing metadata for import in an electronic text datafile (e.g. spreadsheet) formatted for import into the Accela permit management software or other designated document management system. Medium for delivery shall be an external USB enabled hard drive (solid state). The medium shall be returned to Hines upon successful upload at the next pick-up or delivery event.
- 2) If CDD desires, for a nominal charge as published in the rate schedule, Hines can facilitate the pre-production preparation and packaging of documents for transfer to the Hines' secure production facility work site. The pre-production services may include: indexing, listing an inventory or general description of documents, removal from file cabinets or shelving and placing in boxes and attaching a label with a unique number on the outside of each box and placing the inventory sheet inside each box listing the contents of that box.
- 3) Hines will pick up the loaded, labeled, and indexed boxes from various locations.
 - a. CDD will provide boxes if CDD intends to store the documents long-term (i.e. does not intend to destroy the documents). The boxes can be optionally purchased from Hines.
 - b. In order to mitigate CDD labor, Hines can load, label, and index the boxes prior to document transportation according to the agreed upon rate sheet.
- 4) Hines will prepare the documents for scanning by removing the staples and other binding, inspecting, and repairing pages as needed. Items that are smaller than 8 ½ x 11 paper size will be taped using non-reflective tape to an 8 ½ x 11 sheet of paper if required.
 - a. The new page will be placed behind the page where the original image was located.



- 5) Hines will programmatically remove any blank pages from final documents. As the programmatic deletion threshold is set to low, a small percentage of blank pages may not be programmatically deleted (e.g. where ink bleeds through to the obverse page).
- 6) Hines is not responsible for scanning the actual file folder (e.g. the cardboard folders). Where the CDD requires a folder to be scanned, an additional rate may apply.
- 7) Hines invoices shall denote the quantity of all deliverables listed upon the rate sheet (where applicable) for the current invoice as well as the total quantities to date.
- 8) Hines shall calibrate and maintain systems (maintain consistency of output as described in ANSI/AAIM MS44-1988 (R1993) Recommend Practice for Quality Control Image Scanners; ensure that scanning system is free from dust and other particles; maintain calibration through each shift; use appropriate technical targets and procedures as defined by manufacturer.
- 9) Hines will save each permit (record) as one or more PDF document(s). The PDF(s) will be named according to the mutually agreed upon naming protocol. A unique token for each PDF is suggested by Hines (e.g. 56d9ffc58ac26.pdf).
- 10) Hines will store and maintain original source documents for 120 days past each deliverable in a secure storage space with fire and burglar alarm protections until CDD has reviewed the scanned documents for quality control purposes. Disposition of the scanned records will be determined in the contract (e.g. long-term storage, return, or document destruction).
- 11) Document Destruction: Where CDD requests that Hines provide for document destruction services, the following describes the process:
 - a. Hines will obtain a CDD signed document destruction authorization form itemizing the documents to be destroyed
 - b. Hines will shred the paper content and provide a certificate of document destruction of requested.
- 12) Hines will deliver to CDD the completed image files on a mutually agreed upon schedule (e.g. every two weeks) via a medium compatible with the CDD's system.
 - a. Upon request, Hines will encrypt the transfer media using the Windows BitLocker protocol. The de-crypt password will not be physically transported with the transfer medium.
- 13) Safe Custody: Hines will ensure that all copy materials remain in safe custody from the time they are picked up until the time they are returned or destroyed.



- a. Safe custody ensures the documents remain in the secured boxes until they arrive at the Hines' document conversion facility. Vehicles that Hines uses to transport boxes will remain locked at all times unless physically loading and unloading boxes and where the documents are in sight of the transportation team.
 - b. It is understood that the documents contain sensitive information such as building plans, intellectual property rights and other sensitive information. Once the documents are in the possession of Hines, the company becomes solely responsible for the security of the documents.
- 14) Hard Copy Storage: Hines will maintain CDD hard copy documents (including microforms) in a secure archival environment for a period of not less than 120 days unless it is agreed hard copies will be returned to CDD within this timeframe.
- a. After 120 days per deliverable, where CDD has not requested the return of the documents and has not authorized destruction, Hines will charge CDD a fee for document storage on a go-forward basis (not inclusive of the first 120 days). The long-term storage rate is published on the rate schedule.
 - b. The rate for a physical hardcopy document retrieval, after the electronic copy has been delivered, shall be itemized in the rate schedule.
- 15) Tracking and Inventory of CDD Documents: Hines will inventory and acknowledge the transmittal of all items received. It is intended that Hines will maintain an automated tracking system to allow for retrieval of any document that is in process.
- a. Any discrepancies between CDD's inventory (transmittal) and the items received by Hines are to be resolved within ten calendar days. After scanning/media conversion services have been completed on records picked up from CDD, Hines will perform a final control step that compares the final output to the manifest that CDD provided. This is to ensure that every document has been digitized and indexed by Hines.
 - b. Hines will provide CDD with a report comparing the original source documents provided to the final electronic output with each delivery.

B) Description of Documents to be Scanned

Estimated Quantity: The following quantities are estimated. These figures are estimates and CDD reserves the right to adjust them up or down accordingly. Therefore, unit costs should be quoted based upon "quantity buckets" with volume discounts anticipated for higher quantities.



- 1) Building & Planning Files - (some documents may have attachments)
- 2) 8½" x 11" in boxes & cabinets - approximately 600,000 pages
- 3) Rolled large format sheets - approximately 65,000 pages
- 4) Folded large format sheets - approximately 2,540 pages
- 5) Microfiche - approximately 812,400 images (135,400 sheets x 6 image/sheet)
- 6) Microfilm - approximately 400 rolls of film (if applicable)
- 7) Banker boxes - approximately 115 banker boxes (stored off-site at Pacific storage)
- 8) Pictures (potential)
- 9) Compact discs (potential) The final page count for scanning is subject to change as the CDD is in the process of reviewing records for destruction and scanning.

C) Imaging Specifications

- 1) Documents are to be scanned from front to back as originally presented within the file folder.
- 2) Hines must provide images in PDF or PDF/A-3, the latest standard format. All small-format documents should be OCR text searchable.
- 3) Minimum scan at 200 dpi for text documents. The size of each PDF file shall not exceed 500MB.
- 4) Each individual file created of imaged documents must contain a unique identifier – permit number or address/assessor parcel number (if no permit number exists).
- 5) All small format documents are to be scanned as duplex in order to capture both front and back of documents when needed.
- 6) Color images must be viewable and of printable quality so that detail in the image is captured.
- 7) Hines will programmatically orient the scanned images for "right-reading."
- 8) Text must be readable up to the edge of the document.
- 9) All images will be checked for quality. Any adjustments that are needed to remove or minimize skews or speckles on image, without affecting image readability, will be



made prior to delivery to CDD. Hines will ensure that documents are in correct order and of the highest professional quality. CDD will inspect the scanned images in a timely manner and will notify Hines within 30 days of any delivery regarding any issue or discrepancy identified. If documents are identified as needing to be rescanned, Hines will rescan the images at no additional cost to the CDD.

10) An index metadata file must be included with each delivery of scanned images and be formatted suitable for import into the CDD document repository. Data to be captured in the metadata includes:

- ❖ Permit number (including prefixes and suffixes) or address/parcel number
- ❖ File size
- ❖ Total number of pages within the document
- ❖ Date scanned

D) Processing Specifications

- 1) All data must be preserved in a form identical to, or functionally equal to, the original record.
- 2) Fragile or other type documents that require special handling shall be processed in the safest way so as to protect the integrity of the original document and ensure readability in the electronic format. This may include photocopying the original fragile document first then scanning the photocopied version of the document when necessary.
- 3) Digital conversion of microforms with the larger size drawings (the 35MM frames) and the standard size documents (the 16MM frames) at a minimum of 300 and 200 dots per inch respectively and process these digital images to be seamlessly included into the agreed upon permit management system.
 - a. Hines will also capture the title bar of each microfiche and include said image into the respective PDF.
 - b. It is noted that many 35MM frames maintain numerous small format documentation (e.g. eight 8.5"x11" on one 35MM frame. Hines is not responsible for separating the small format documents, rather, the deliverable is one 35MM scanned image.
 - c. It is understood that documents originating from microfilm do not OCR well, and is generally of limited value, as such, OCR of all microforms is negotiable.



- 4) **Quality Control by Hines:** Hines has address at length, within the body of the original proposal, the various quality control process built into each step of the document conversion process.
- 5) **Record Accessibility:** CDD may require access to original documents supplied to Hines for scanning and/or media conversion services. Hines will locate, scan, and forward any original document that is in the possession of Hines to CDD within one business day from the time of request by an authorized department agent. Hines will scan the requested document(s) prior to return the document to CCD.

E) Interim ECMS

Hines will provide CDD with an interim electronic document management system known as “Hines Document Server” as follows.

- 1) Should CDD request Hines to provide an electronic content management system onsite (at CDD), the following is applicable.
 - a. The system’s back-end database shall be a Microsoft Access Database. CDD will not need a license, nor need to install Access. That is, CDD will not directly utilize or interface with the Access database directly.
 - b. The system’s front-end interface shall be CDD standard web-browser (e.g. Microsoft Explorer, Edge, Chrome, Safari, and etc.).
 - c. The middleware connectivity will be facilitated by the PHP coding language.
 - d. In order for the system to work onsite, CDD will need to install a WAMP server (standard non-propriety freeware). CDD will need to allow an ODBC connection.
 - e. The anticipated file size is about 300 Gigabytes (not including backup).
 - f. The system can be installed anywhere over the local area network. Any end-user with access to the primary server IP address will be able to query and access the scanned images.
 - g. Hines will provide an updated master Access database with each delivery.
 - h. CDD will simply need to overwrite the former database and move the new scanned images into the correct folder structure (to be discussed further).
 - i. A one-time setup fee is applicable



j. An online example is available for your review at the following link:

❖ <http://cloud.hinesedm.com:8080>



RATE SCHEDULE

The following schedule represents the original Hines bid response. As requested by CDD, the schedule also includes additional service options where any lines item should become required. Where provided below, the indicted quantities represent a calculated approximation.

Each invoice shall be calculated as the actual quantities submitted by CDD multiplied by the illustrated rates.

	SERVICE DESCRIPTION	UNIT	RATE
1	Scan Small Format	Per Image	\$0.028
2	Scan Large Format	Per Image	0.450
3	Scan Small Format Color	Per Image	0.028
4	Scan Large Format Color	Per Image	0.890
5	Scan 35MM Fiche	Per Image	0.040
6	Scan 16MM Fiche	Per Image	0.050
7	Scan COM	Per Image	0.050
8	Scan Microfiche Title Bar	Per Image	0.040
9	Scan 16MM Film	Per Image	0.008
10	Scan 35MM Film	Per Image	0.010
11	Indexing	Per Permit	0.005
12	Document Preparation	Per Image	0.009
13	Re-Assembly of Rolled Plans	No Charge	No Charge
14	Reassembly Small Format	No Charge	No Charge
15	OCR	No Charge	No Charge
16	Document Storage	Per Cubic Foot Per Month	0.250
17	Media Conversion	Each	5.000
18	Document Destruction	Per Cubic Foot	3.000
19	Document Pull Request	Per Event	5.000
20	Pickup and Returns	Per Event	100.000
21	Special Handling	Per Event	5.000
22	Additional Indexing	Per Character	0.010
23	Professional IT Services	Per Hour	75.000
24	Onsite Labor	Per Hour Per Person	25.000
25	Encrypt Deliverable	Per Event	10.000
26	Insert Bar Code Separator Sheet	Per Sheet	0.050
27	Third-Party Shipping	Per Shipment	Actual
28	Large Box	Each	4.000
29	Medium Box	Each	5.000
30	Small Box	Each	11.000

**RATE SCHEDULE (CONTINUED)****Line Item Description**

The purpose for the following section is to overview the anticipated task for each line item presented.

	About Scanning	Unless noted otherwise, all paper scanning shall be a resolution of 300 dots per inch bi-tonal
1	Scan Small Format:	Paper 11"x17" or smaller in size scanned as bi-tonal
2	Scan Large Format:	Paper greater than 11"x17" in size scanned as bi-tonal
3	Scan Small Format Color:	Paper 11"x17" or smaller in size scanned in color
4	Scan Large Format Color:	Paper 11"x17" or smaller in size scanned in color
5	Scan 35MM Fiche:	Typically a 35MM frame is a large format document
6	Scan 16MM Fiche:	Typically a 16MM frame is a small format document
7	Scan COM:	See TERMINOLOGY page 1
8	Scan Microfiche Title Bar:	The purpose for scanning the microfiche and COM title bar is largely for quality control purposes and is part of the original record
9	Scan 16MM Film:	Self-explanatory, image resolution is 200 dot per inch
10	Scan 35MM Film:	Self-explanatory, image resolution is 300 dots per inch
11	Indexing:	Indexing means manual data entry of specific document profile fields
12	Document Preparation:	The process to get paper scanner ready, such as the removal of staples and repair of tears with clear tape
13	Re-Assembly of Rolled Plans:	Self-explanatory
14	Reassembly Small Format:	According to the original RFP, Re-Assembly of Small Format means to save the scanned documents boxed, in sequential order, though they do not need to be re-stapled or reassembled
15	OCR:	Is a software process that converts the scanned image to electronic text embedded within the PDF. Large Format documents and microforms do not benefit from the process.
16	Document Storage:	Upon each deliverable, the original source documents are to be stored by Hines for 120 days without charge. The purpose for this period is to provide CDD with adequate time to review the deliverables.
17	Media conversion:	This is an original RFP line item without clarification inclusive of floppy, CD or DVD
18	Document Destruction:	Document Shredding facilitated by Hines, requires a CDD signed authorization form
19	Document Pull Request:	This fee is applicable where CDD has already received the electronic document within a deliverable, yet is requesting the return of an original source document
20	Pickup and Returns:	The fee include the pick-up of boxed documents (by either CDD or Hines) and the concurrent return of boxed documents from the previous pickup event (where CDD wants the paper returned at the subsequent pickup event)
21	Special Handling	The fee is for the unlikely requirement to facilitate a process that is not currently anticipated
22	Additional Indexing	The original indexing of 120,000 permit numbers is not sufficient to capture a key document profile field from the



		entire document repository, often the same field (e.g. permit number) will need to be captured multiple times over
23	Professional IT Services	The fee is for advanced Hines labor to facilitate CDD requested tasks, examples follow: 8 hours to prepare an onsite EDMS and 1 hour per month to update each deliverable for import into the EDMS
24	Onsite Labor	The fee is for the onsite processing such as boxing of documents onsite & providing CDD a list of inventory.
25	Encrypt Deliverable	The fee offsets the process time required in order to encrypt a deliverable if requested by CDD
26	Insert Bar Code Separator Sheet	The fee offsets the additional requirement to subdivide records to specific document types within one primary file, if requested by CDD
27	Third-Party Shipping (e.g. FedEx)	The fee is for the unlikely event where CDD requires the physical return of a document next day
	About Box Purchase	If CDD intends to store the original source paper long term, CDD should purchase document storage boxes. The rates for document storage boxes are provided in the event CDD prefers Hines to acquire the boxes. All box purchases will be invoiced separately as sales tax is applicable. The boxes listed herein are not archival specific (i.e. acid free), rather standard cardboard.
28	Large Box Purchase	Would be used for rolled plan sets (12"x12"x48") each box will house 365 Large Format rolled plan sets. Assuming 75% of the LF are rolled, a total of 205 boxes are required.
29	Medium Box Purchase	Would be used for small format documents and folded plan sets (15"x12"x10"). It is assumed that about 500 boxes would be required to house documents not currently boxed.
30	Small Box Purchase	Would be used to store microfilm (14 ^{1/4} "x9"x4"), a total of 67 boxes would be required to house 933 inches of microfiche
31	Contingency	As it is practically impossible to estimate the total amount of images to be scanned, this line item is a ten-percent buffer for the unlikely event where the quantities are underestimated.
32	Go-Forward Scanning (Year 2)	Represents any documents scanned after the backlog has been completed (e.g. year one), this line item represents year two. It is assumed that the CDD will spend approximately \$2,000 per month after the backlog in maintenance scanning.
33	Go-Forward Scanning (Year 3)	Represents any documents scanned after the backlog has been completed and after the second go-forward year. It is assumed that the CDD will spend approximately \$2,000 per month after the backlog in maintenance scanning.



Budgetary Illustration

For budgetary purposes, the following illustration represents the following services:

- ❖ Scanning of the departmental recordation as presented within the original RFP
- ❖ Box purchase (invoiced separately as the items are taxable)
- ❖ Go-forward (or maintenance scanning) years 1 through 3 based upon Hines professional experience

For simplification, any line item discussed previously that is not anticipated has been removed.

	DESCRIPTION	UNIT	QUANTITY	RATE	EXT
1	Scan Small Format	Per Image	650,000	\$0.028	\$18,200.00
2	Scan Large Format	Per Image	100,000	0.450	45,000.00
3	Scan SF Color	Per Image	60,000	0.028	1,680.00
4	Scan LF Color	Per Image	4,000	0.890	3,560.00
5	Scan 35MM Fiche	Per Image	378,600	0.040	15,144.00
6	Scan 16MM Fiche	Per Image	276,188	0.050	13,809.40
7	Scan COM	Per Image	72,280	0.050	3,614.00
8	Scan Microfiche Title Bar	Per Image	116,639	0.040	4,665.56
9	Scan 16MM Film	Per Image	376,000	0.008	3,008.00
10	Scan 35MM Film	Per Image	133,500	0.010	1,335.00
11	Indexing	Per Permit	120,000	0.005	600.00
12	Document Preparation	Per Image	814,000	0.009	7,326.00
13	Re-Assembly Rolled LF	No Charge	1	No Charge	0.00
14	Reassembly SF	No Charge	1	No Charge	0.00
15	OCR	No Charge	1	No Charge	0.00
20	Pickup and Returns	Per Event	12	100.000	1,200.00
22	Additional Indexing	Per Character	900,000	0.010	9,000.00
23	Professional IT Services	Per Hour	20	75.000	1,500.00
24	Onsite Labor	Per Hour	96	25.000	2,400.00
28	Large Box ^T	Each	205	4.000	820.00
29	Medium Box ^T	Each	500	5.000	2,500.00
30	Small Box ^T	Each	67	11.000	737.00
	<i>Subtotal Backlog</i>				\$136,098.96
31	Contingency	Event	1		13,609.896
	<i>Subtotal</i>				\$149,708.86
32	Go-Forward Scanning	Estimated Annual	1	24,000.000	24,000.00
33	Go-Forward Scanning	Estimated Annual	1	24,000.000	24,000.00
	<i>Subtotal</i>				197,708.86
	Applicable Sales Tax				365.13
	TOTAL				\$198,073.99

^TA taxable line item

Insurance Requirements for Professional Services

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** At least as broad as Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** At least as broad as Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. ***(Not required if consultant provides written verification it has no employees)***
4. **Professional Liability (Errors and Omissions)** Insurance appropriate to the Consultant's profession, with limit no less than **\$1,000,000** per occurrence or claim, \$1,000,000 aggregate. (If Claims-made, see below.)

If the Consultant maintains higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to coverage for the higher limits maintained by the consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its Mayor, Council, officers, representatives, agents, employees and volunteers are to be covered as additional insureds on the CGL policy and AL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (**at least as broad as** ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the **Consultant's CGL policy and AL policy insurance coverage shall be primary** insurance as respects the City of Stockton, its Mayor, Council, officers, representatives, agents, employees and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its Mayor, Council, officers, representatives, agents, employees and volunteers shall be excess of the Consultant's insurance and shall not contribute with it. The City of Stockton does not accept primary endorsements limiting the Consultant's insurance coverage to sole negligence.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the City of Stockton.**

Waiver of Subrogation

Consultant hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton Risk Services. The City of Stockton may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII if admitted to do business in the State of California; if not admitted to do business in the State of California, insurance is to be placed with insurers with a current A.M. Best's rating of no less than A+:X.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. If Claims Made policy form is used, a three (3) year discovery and reporting tail period of coverage is required after completion of work.

Verification of Coverage

Consultant shall furnish the City of Stockton with original certificates and amendatory endorsements required by this clause. All certificates and endorsements are to be received and approved by the City of Stockton Risk Services before work commences. Failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time, for any reason or no reason.

Consultant shall, prior to the commencement of work under this Agreement, provide the City of Stockton with a copy of its Declarations Page and the applicable Endorsement Page for each of the required policies.

Certificate Holder Address

Proper address for mailing certificates, endorsements and notices shall be:

- City of Stockton
- Attention: Risk Services
- 425 N El Dorado Street
- Stockton, CA 95202

City of Stockton Risk Services Phone: 209-937-5037

City of Stockton Risk Services Fax: 209-937-8558

Maintenance of Insurance

If at any time during the life of the Contract or any extension, the Consultant fails to maintain the required insurance in full force and effect, all work under the Contract shall be discontinued immediately. Any failure to maintain the required insurance shall be sufficient cause for the CITY to terminate this Contract.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City of Stockton is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. In the event such modification exposes Consultant to additional costs, the parties shall work cooperatively to come to agreement on an equitable adjustment to the contract budget.