

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Clerk Recorder

BOARD AGENDA #: *B-24

AGENDA DATE: June 13, 2017

SUBJECT:

Approval to Enter into a Sole Source Agreement with US Imaging, Inc. to Create and Complete the Existing Index of Recorded Official Records from the Years 1854 through 1993, in the Amount of \$650,000, for the Period of Three Years or until Completion of the Project

BOARD ACTION AS FOLLOWS:

No. 2017-313

On motion of Supervisor Withrow, Seconded by Supervisor Olsen

and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, and Vice-Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: Chairman Chiesa

Abstaining: Supervisor: None


1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: PAM VILLARREAL, Assistant Clerk

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Clerk Recorder

Urgent

Routine

BOARD AGENDA #: *B-24

AGENDA DATE: June 13, 2017

CEO CONCURRENCE: 

4/5 Vote Required: Yes No

SUBJECT:

Approval to Enter into a Sole Source Agreement with US Imaging, Inc. to Create and Complete the Existing Index of Recorded Official Records from the Years 1854 through 1993, in the Amount of \$650,000, for the Period of Three Years or until Completion of the Project

STAFF RECOMMENDATIONS:

1. Approve the Independent Contractor Agreement with US Imaging, Inc. for services involving the creation and completion of the existing index of recorded official records from the years 1854 through 1993.
2. Authorize the Clerk Recorder to procure the Independent Contractor Services with a sole source procurement.
3. Authorize the County Clerk – Recorder to negotiate, award and execute an agreement with US Imaging, Inc. in the amount not to exceed \$650,000, for the period of three years or until completion of the project and to sign necessary documents, including any amendments to the agreement not to exceed a total of 10%.
4. Authorize the County Clerk-Recorder to take any appropriate action necessary to carry out the purpose and intent of these recommendations.

DISCUSSION:

California government is structured to protect private property ownership by the use of a system where copies of all documents that affect property are recorded into a single public repository in each county known as the "Official Records". After documents are recorded, they are indexed and are open to public inspection to provide constructive notice to subsequent purchasers and lenders.

Under California Government Code 27232-27265, the County Recorder is mandated as the single public repository in Stanislaus County to maintain, preserve and index county official and vital records under its management and control. Stanislaus County official and vital records have been retained for future generations by indexing, maintaining, archiving and preserving documents of historical, commercial and legal significance.

Since its formation in 1854, Stanislaus County official and vital records have been maintained in a book format that utilized wood pulp paper and in the 1900's archive preservation film

Approval to Enter into a Sole Source Agreement with US Imaging, Inc. to Create and Complete the Existing Index of Recorded Official Records from the Years 1854 through 1993, in the Amount of \$650,000, for the Period of Three Years or until Completion of the Project

/microfiche that required special equipment to view and print records.

In 1993, the County Clerk Recorder began a restoration process of these vital and historic records. The first step was the purchase of the computerized Clerk Recorder Imaging Information System (CRIIS) document management system which enabled documents from March 1993 forward to be electronically recorded, archived, preserved and indexed.

In 2007 a second stage involving multiple steps was initiated to restore and digitize vital and historic records from 1854 through March 1993. The focus was to refurbish original historic documents using established archival restoration methods, prevent further deterioration and provide computerized public access to them.

Steps in the second restoration stage have included the location and inventory of 3,192,639 official records; restoring original images; scanning them; converting them to film; conversion of all the film records to digital images and uploading all digital images into the County Recorder document management system. The final step in completing this ten year project is to create and complete an electronic index from 1854 through 1993 which will link all of the digitized images to a directory. Indexing is the entering of names from a land title document that facilitates title searches and gives constructive notice to the public regarding legal title status. During the indexing process, documents are organized by document type and title that can be searched in a variety of methods.

The County has a need for services involving creation and completion of the existing index of recorded official records from the years 1854 through 1993. Contractor US Imaging, Inc. is specially trained, experienced and competent to perform and has agreed to provide such services.

To date, millions of recorded official records have been restored and scanned into County Recorder document management system. The County Recorder seeks to finalize this important project by contracting with US Imaging, Inc. for services involving the creation and completion of an index of recorded official records from the years 1854 through 1993 as follows:

Phase 1: Estimated Quantity of All Typed Records to Fully Index 1950-1993
Typed = 2,589,330 Documents

Phase 2: Estimated Quantity of All Handwritten and Typed Records to Fully Index 1854-1949
Handwritten = 16,607 Documents
Form = 127,009 Documents
Typed = 459,693 Documents

US Imaging, Inc. has extensive experience working with the County Recorder's documents and records. Based on a competitive Request for Proposal process (#10-14-CB) in January 28, 2010 US Imaging, Inc. was awarded a master agreement and subsequent County Clerk-Recorder contract to scan and index County Clerk-Recorder records. The original contract with US Imaging, Inc. has been expired and the project is completed. The new project comprises earlier years and additional records and indexing for the full 139 year period. US

Approval to Enter into a Sole Source Agreement with US Imaging, Inc. to Create and Complete the Existing Index of Recorded Official Records from the Years 1854 through 1993, in the Amount of \$650,000, for the Period of Three Years or until Completion of the Project

Imaging, Inc. is familiar with our specific indexing methods after working with the Clerk-Recorder over the past several years.

POLICY ISSUE:

Board of Supervisors approval is required for all contracts exceeding \$100,000.

FISCAL IMPACT:

The contract amount is \$650,000. The indexing project will be funded by the Clerk Recorder Modernization Trust Fund fiscal year 2016/2017. The Modernization Trust Fund has sufficient appropriations approved in the Adopted Final Budget 2016-2017 to encumber this project.

Cost of recommended action:	\$ 650,000
Source(s) of Funding:	
Clerk Recorder Modernization Trust Fund	650,000
Funding Total:	\$ 650,000
Net Cost to County General Fund	\$ -

Fiscal Year:	2017-2018
Budget Adjustment/Appropriations needed:	No

Fund Balance as of January 1, 2017	2,697,024
---	-----------

BOARD OF SUPERVISORS' PRIORITY:

Approval of the recommended action supports the Board of Supervisors' priority of Efficient Delivery of Public Services by facilitating electronic searches by name, document type and title on land title documents and gives constructive notice to the public regarding legal title status.

STAFFING IMPACT:

There is no additional staffing impact associated with this request. Existing staff will oversee the work related to this Agreement.

CONTACT PERSON:

Lee Lundrigan, County Registrar of Voters	Telephone: 209-525-5211
---	-------------------------

ATTACHMENT(S):

- A. US Imaging, Inc. Justification for Sole Source Agreement
- B. US Imaging, Inc. Agreement to Index Official Records 1854 through 1993

Attachment A

US Imaging, Inc. Justification for Sole Source Agreement

**COUNTY OF STANISLAUS
JUSTIFICATION FOR SOLE SOURCE/SOLE BRAND**

Requisition Number: _____

Dated: May 2, 2017

Item: _ US Imaging - Index Vital Record _____

- Sole Source: Item is available from only one vendor. Item is one-of-a-kind item and is not sold through distributors. Manufacturer is a sole distributor.
- Sole Brand: Various Vendors can supply the specified model & brand, and competitive bids will be solicited for the brand requested only.

Refer to the instructions on the back of this form for required criteria before completion.

JUSTIFICATION: (Attach additional sheets, if necessary)

US Imaging is to index land records from 1854 – 1993. All indexing is accomplished via double-key, blind verification. The first indexer keys the characters, A second indexer keys the characters from the same fields without seeing the first indexer's results, software compares the two and if there are any discrepancies, it goes to a third operator who compares them both with the image and keys the correct index

The vital records portion of the project US Imaging will take the current index file from the County and Match and Merge the current images to the index data contained therein. All matching is accomplished via double-key, blind verification. All images will be reformatted for the CRiis System. US Imaging will also identify and remove the still/fetal births and sealed births; delivering them separately.

(See attached section A, items 1-5)

CERTIFICATION:

I am aware of the requirements set forth in the County's Purchasing Policy & Procedures Manual for competitive bidding and the established criteria for justification for sole source/sole brand purchasing. As an approved department representative, I have gathered technical information and have made a concerted effort to review comparable/equal equipment. This is documented in this justification. I hereby certify as to the validity of the information and feel confident that this justification for sole source/sole brand meets the County's criteria and is accurate.

This form was completed by:

Lee Lundrigan
NAME

DEPT/DIVISION REPRESENTATIVE/PHONE

DEPARTMENTAL APPROVAL: *Lee Lundrigan*
DIRECTOR (or Authorized Rep.)/Date

PROCUREMENT APPROVAL: _____
PURCHASING AGENT APPROVAL

33246

CRITERIA FOR SOLE SOURCE/SOLE BRAND

A. FACTORS WHICH MAY BE APPLICABLE

Respond specifically to each question below in preparing a justification.

1. If the product requested is one-of-a-kind item, provide background information on how this was determined.

US Imaging has extensive experience working with the County Clerk Recorder's documents and records. US Imaging has been working directly with the department for several years. Accordingly, an established work relationship has been carefully cultivated over time. To stop now and attempt to establish that relationship with a new vendor would waste valuable time and resources that must be devoted to the completion of this project.

2. Provide information on why a particular product and/or vendor was chosen.

January 28, 2010, US Imaging was awarded their first contract to scan and index documents for the Clerk/Recorder's Office, based on a competitive Request for Proposal process (#10-14-CB). During this time, the Stanislaus County Clerk Recorder has worked directly with representatives from US Imaging to coordinate documents and ensure that the imaging process is accomplished as required. US Imaging indexed records and understands the sensitivity and complexity of our department and the records we safeguard. Stanislaus County Clerk/Recorder and US Imaging have established a process that works. To begin from commencement with another vendor would require excessive redundancy without the certainty of quality.

3. Provide information on other vendors that were contacted and why they can not provide the requested product. Is the selected vendor also the manufacturer?

There are other vendors who have the ability to index records. US Imaging is not the only vendor that can provide this service. However, US Imaging has earned the trust of the department and has proven they can be relied upon to complete this task in an efficient and accurate manner. At this point in the process, it would be far too risky, time consuming and expensive to bring in a new vendor. The original contract with US Imaging has expired, but the project remains unfinished. The project has been extended to include earlier years and additional records not included in the first contract.

Indexing is the entering of names from a land title document that facilitates title searches and gives constructive notice to the public regarding legal title status. During the indexing process, documents are organized by document type and title that can be searched in a variety of methods. US Imaging is extremely familiar with our specific indexing methods after working with our department over the past several years.

4. If unique features are required to successfully perform the required function, identify what those features are and why they are required. BE SPECIFIC.

The unique feature associated with this project is the rapport with US Imaging and the expertise US Imaging has shown handling the department's records to date. Continuing with an established vendor with whom we have established confidence and trust, an indexing sequence and a proven track record of sensitive records is a priority.

5. Provide information on other models available and why they were rejected. Provide brand name, model, vendor name, date and name of each person contacted.

N/A

B. FACTORS WHICH DO NOT APPLY

The following factors should not be included in your sole source/sole brand justification. They will not be considered and only tend to confuse the evaluation process.

1. Personal preference for a product of vendor.
2. Cost, vendor performance, local service, maintenance, and delivery (these are award factors in competitive bidding).
3. Features which exceed the minimum department requirements, e.g. heavy duty.
4. Explanation for the actual need and basic use for the equipment, unless the information relates to a request for "unique features."
5. The statement "no substitutions" will not be considered without completion of the "Justification for Sole Source/Sole Brand" form.

If you need assistance in completing this justification for sole source/sole brand form, please contact the Purchasing office at 525-6319.

Attachment B

US Imaging, Inc. Agreement to Index Official Records 1854 through 1993



2017 AGREEMENT FOR INDEPENDENT CONTRACTOR SERVICES

STANISLAUS COUNTY CLERK / RECORDER OFFICE INDEX 1854-1993 OFFICIAL RECORDS

This Agreement for Independent Contractor Services (the "Agreement") is made and entered into by and between the County of Stanislaus ("County") and US IMAGING, INC., a corporation, ("Contractor") as of May 30, 2017.

Recitals

WHEREAS, the County has a need for services involving creation and completion of the existing index of recorded official records from the years 1854 through 1993;

WHEREAS, the Contractor is specially trained, experienced and competent to perform and has agreed to provide such services; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereby agree as follows:

Terms and Conditions

1. Scope of Work

1.1 The Contractor shall furnish to the County upon execution of this Agreement or receipt of the County's written authorization to proceed, those services and work set forth in **Exhibit A**.

1.2 All documents, drawings and written work product prepared or produced by the Contractor under this Agreement, including without limitation electronic data files, are the property of the Contractor; provided, however, the County shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Contractor may copyright the same, except that, as to any work which is copyrighted by the Contractor, the County reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so.

1.3 Services and work provided by the Contractor at the County's request under this Agreement will be performed in a timely manner consistent with the requirements and standards established by applicable federal, state and County laws, ordinances, regulations and resolutions, and in accordance with a schedule of work set forth in **Exhibit A**. If there is no schedule, the hours and times for completion of said services and work are to be set by the Contractor; provided, however, that such schedule is subject to review by and concurrence of the County.

2. Consideration

2.1 County shall pay Contractor as set forth in **Exhibit A**.

2.2 Except as expressly provided in Exhibit A of this Agreement, Contractor shall not be entitled

to nor receive from County any additional consideration, compensation, salary, wages or other type of remuneration for services rendered under this Agreement. Specifically, Contractor shall not be entitled by virtue of this Agreement to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.

2.3 County will not withhold any Federal or State income taxes or Social Security tax from any payments made by County to Contractor under the terms and conditions of this Agreement. Payment of all taxes and other assessments on such sums is the sole responsibility of Contractor. County has no responsibility or liability for payment of Contractor's taxes or assessments.

2.4 Pursuant to Penal Code section 484b and to Business and Professions Code section 7108.5, the Contractor must apply all funds and progress payments received by the Contractor from the County for payment of services, labor, materials or equipment to pay for such services, labor, materials or equipment. Pursuant to Civil Code section 1479, the Contractor shall direct or otherwise manifest the Contractor's intention and desire that payments made by the Contractor to subcontractors, suppliers and materialmen shall be applied to retire and extinguish the debts or obligations resulting from the performance of this Agreement.

3. Term

3.1 The term of this Agreement shall be from the date of approval of this Agreement until completion of the agreed upon services unless sooner terminated as provided below or unless some other method or time of termination is listed in **Exhibit A**.

3.2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

3.3 This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of Contractor's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, Contractor ceases to be licensed or otherwise authorized to do business in the State of California, and the Contractor fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.

3.4 The County may terminate this agreement upon 30 days prior written notice to the Contractor. Termination of this Agreement shall not affect the County's obligation to pay for all fees earned and reasonable costs necessarily incurred by the Contractor as provided in Paragraph 2 herein, subject to any applicable setoffs.

4. Required Licenses, Certificates and Permits

Any licenses, certificates or permits required by the federal, state, county or municipal governments for Contractor to provide the services and work described in **Exhibit A** must be procured by Contractor and be valid at the time Contractor enters into this Agreement. Further, during the term of this Agreement, Contractor must maintain such licenses, certificates and permits in full force and effect. Licenses, certificates and permits may include but are not limited to driver's licenses, professional licenses or certificates and business licenses. Such licenses, certificates and permits will be procured and maintained in force by Contractor at no expense to the County.

5. Office Space, Supplies, Equipment, Etc.

Unless otherwise provided in **Exhibit A**, Contractor shall provide such office space, supplies, equipment, vehicles, reference materials and telephone service as is necessary for Contractor to provide the services identified in **Exhibit A** to this Agreement. County is not obligated to reimburse or pay Contractor for any expense or cost incurred by Contractor in procuring or maintaining such items. Responsibility for the costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor.

6. Insurance

Coverage Required: Contractor shall obtain, and maintain at all times during the term of this Agreement, insurance coverage in the amounts and coverage specified in the attached "**Exhibit B**."

7. Defense and Indemnification

7.1 To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Contractor or Contractor's officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use; provided, however, such indemnification shall not extend to or cover loss, damage or expense arising from the sole negligence or willful misconduct of the County or its agents, officers and employees.

7.2 Contractor's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

8. Status of Contractor

8.1 All acts of Contractor and its officers, employees, agents, representatives, subcontractors and all others acting on behalf of Contractor relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers or employees of County. Contractor, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of County. Except as expressly provided in **Exhibit A**, Contractor has no authority or responsibility to exercise any rights or power vested in the County. No agent, officer or employee of the County is to be considered an employee of Contractor. It is understood by both Contractor and County that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

8.2 At all times during the term of this Agreement, the Contractor and its officers, employees, agents, representatives or subcontractors are, and shall represent and conduct themselves as, independent contractors and not employees of County.

8.3 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to County only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to County's control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. Contractor is permitted to provide services to others during the same period service is provided to County under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

8.4 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

8.5 It is understood and agreed that as an independent Contractor and not an employee of County, the Contractor and the Contractor's officers, employees, agents, representatives or subcontractors do not have any entitlement as a County employee, and do not have the right to act on behalf of the County in any capacity whatsoever as an agent, or to bind the County to any obligation whatsoever.

8.6 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

8.7 As an independent Contractor, Contractor hereby indemnifies and holds County harmless from any and all claims that may be made against County based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

9. Records and Audit

9.1 Contractor shall prepare and maintain all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of four (4) years from the termination or completion of this Agreement. This includes any handwriting, typewriting, printing, photostatic, photographing and every other means of recording upon any tangible thing, any form of communication or representation including letters, words, pictures, sounds or symbols or any combination thereof.

9.2 Any authorized representative of County shall have access to any writings as defined above for the purposes of making audit, evaluation, examination, excerpts and transcripts during the period such records are to be maintained by Contractor. Further, County has the right at all reasonable times to audit, inspect or otherwise evaluate the work performed or being performed under this Agreement.

10. Confidentiality

The Contractor agrees to keep confidential all information obtained or learned during the course of furnishing services under this Agreement and to not disclose or reveal such information for any purpose not directly connected with the matter for which services are provided.

11. Nondiscrimination

11.1 Non-Discrimination. During the performance of this Agreement, Contractor and its officers employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any Federal, State or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religious creed, color, national origin, ancestry, physical or mental disability including perception of disability, medical condition, genetic information, pregnancy related condition, marital status, gender/sex, sexual orientation, gender identity, gender expression, age (over 40), political affiliation or belief, or military and veteran status. Contractor and its officers, employees, agents, representatives or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's non-discrimination policy; the Fair Employment and Housing Act (Government Code

sections 12900 et seq.); California Labor Code sections 1101, and 1102; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.

11.2 Contractor shall include the non-discrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

11.3 Contractor shall provide a system by which recipients of service shall have the opportunity to express and have considered their views, grievances, and complaints regarding Contractor's delivery of services.

12. Assignment

This is an agreement for the services of Contractor. County has relied upon the skills, knowledge, experience and training of Contractor and the Contractor's firm, associates and employees as an inducement to enter into this Agreement. Contractor shall not assign or subcontract this Agreement without the express written consent of County. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of County.

13. Waiver of Default

Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

14. Notice

Any notice, communication, amendment, addition or deletion to this Agreement, including change of address of either party during the term of this Agreement, which Contractor or County shall be required or may desire to make shall be in writing and may be personally served or, alternatively, sent by prepaid first class mail to the respective parties as follows:

To County:

Stanislaus County Clerk / Recorder /
Registrar of Voters
1021 "I" Street
Modesto, CA 95354

209-525-5211

To Contractor:

US Imaging, Inc.
Scott Robinson, CDIA+, President / CEO
400 S. Franklin Street
Saginaw, MI 48607

989-714-9700

15. Conflicts

Contractor agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.

16. Severability

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or county statute, ordinance or regulation the remaining provisions of this Agreement or the application

thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

17. Amendment

This Agreement may be modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

18. Entire Agreement

This Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

19. Advice of Attorney

Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

20. Construction

Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

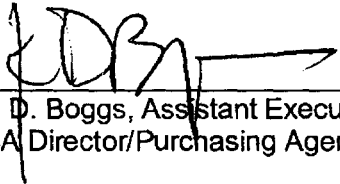
21. Governing Law and Venue

This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

[SIGNATURES SET FORTH ON FOLLOWING PAGE]

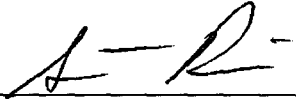
IN WITNESS WHEREOF, the parties or their duly authorized representatives have executed this Agreement on the day and year first hereinabove written.

COUNTY OF STANISLAUS

By: 
Keith D. Boggs, Assistant Executive Officer
GSA Director/Purchasing Agent


"County"

US IMAGING. INC.

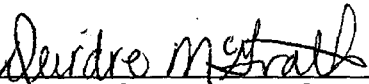
By: 
Scott Robinson, CDIA+
President / CEO

"Contractor"

APPROVED AS TO CONTENT:
County Clerk / Recorder / Elections Department

By: 
Lee Lundrigan, County Clerk / Recorder /
Registrar of Voters

APPROVED AS TO FORM:
John P. Doering, County Counsel

By: 
Deirdre McGrath, Deputy County Counsel

N:\DATA\CO\CONTRACT\TEMPLATES 2016\INDEPENDENT CONTRACTOR AGREEMENT 2016.DOC

EXHIBIT A

A. SCOPE OF WORK

The Contractor shall provide services under this Agreement as follows and as set forth in the Contractor's proposal and scope of work dated December 12, 2016, attached hereto and, by this reference, made a part hereof as **Exhibit A**:

Full Document Indexing

Phase 1: Estimated Quantity of All Typed Records to Fully Index 1950-1993
Typed = 2,589,330 Documents

Phase 2: Estimated Quantity of All Handwritten and Typed Records to Fully Index 1854-1949
Handwritten = 16,607 Documents
Form = 127,009 Documents
Typed = 459,693 Documents

Stanislaus County Requirements:

- **Import Indexes** – The County will contract with AtPac for upload and import each index into County's AtPac software system.

US Imaging Requirements:

- **Indexing** – All indexing is accomplished via double-key, blind verification. The first indexer keys the characters, A second indexer keys the characters from the same fields without seeing the first indexer's results, software compares the two and if there are any discrepancies, it goes to a third operator who compares them both with the image and keys the correct index. This is the only methodology which allows for 99.95% accuracy or higher.
- **Formatting** – US Imaging will format the indexes to the requirements provided by AtPac.
- **USB Hard Drives** – All formatted indexes will be copied to 2 sets of external 500GB USB Hard Drives. 1 set will be shipped to the County for review and on-site backup. 1 set will be stored at US Imaging for off-site backup. All Hard Drives, images and indexes are the exclusive property of Stanislaus County and will not be reproduced or distributed to any person or entity without written permission from Stanislaus County.

Images will be indexed by the fields identified and requested by the county

Index Fields

- Grantor
- Grantee
- Date
- Doc Type(s)
- Doc Number

AtPac Corporation Transfer to SouthTech Systems:

SouthTech Systems has purchased AtPac corporation's assets including all software application source code, trademarks, equipment and rights to existing software licenses and service agreements. This sale and transfer was effective March 1, 2017. Any mention of AtPac corporation shall herein refer to and be replaced by SouthTech Systems.

B. COMPENSATION

The Contractor shall be compensated for the services provided under this Agreement in lump sum basis as follows and per attached **Exhibit A**:

Lump sum Paragraphs

22. Contractor will be compensated on a lump sum basis for each task as set forth in the proposal and scope of work dated December 12, 2016, attached hereto and, by this reference, made a part hereof. In addition to the aforementioned fees, Contractor will be reimbursed for the following expenses, plus any expenses agreed to by the parties as set forth in a Schedule of Rates attached hereto, that are reasonable, necessary and actually incurred by the Contractor in connection with the services:

- (a) Any filing fees, permit fees, or other fees paid or advanced by the Contractor.
- (b) Expenses, fees or charges for printing, reproduction or binding of documents at actual costs.

23. The County shall retain ten (10) percent of all periodic or progress payments made to the Contractor until completion and acceptance of all work tasks.

24. The parties hereto acknowledge the maximum amount to be paid by the County for services provided under the term of this Agreement shall not exceed \$650,000 (six hundred and fifty thousand U.S. dollars), including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Contractor to perform or to assist in the performance of its work under this Agreement.

Proposal to:

Index 1854-1993 Land Records

Presented to:

Lee Lundrigan
Stanislaus County Clerk & Recorder
1021 I St #101
Modesto, CA 95354

Presented by:

US Imaging, Inc.
400 S. Franklin Street
Saginaw, MI 48607

Eric Nejedly
National Account Manager
enejedly@us-imaging.com
(303) 319-9457

December 12, 2016

US★ Imaging

December 12, 2016

Lee Lundrigan
Stanislaus County Clerk & Recorder
1021 I St #101
Modesto, CA 95354

US Imaging, Inc. is pleased to present this proposal to index 1845-1993 Land Records for Stanislaus County. Our team will provide Stanislaus County with an unparalleled combination of county expertise, proven processes and state of the art technology to provide the highest quality indexes possible. US Imaging understands the scope of work required, the critical success factors, and the County's goals. US Imaging has become America's premier County Conversion Service for the following reasons:

- **Experience** – We have been in the imaging business since 1976 and have successfully served over 510 Counties nationwide.
- **County Focus** – US Imaging is the only scanning vendor in America that serves Counties exclusively. We have successfully scanned & indexed records for every County Department.
- **Backup** – US Imaging stores a backup of all images to provide duplicating, reformatting & enhancement services on demand or en mass at any time in the future.
- **Image & Index Formatting** – US Imaging has export formats for every County Imaging system on the market.
- **Guaranteed Quality** – If a County is not satisfied with any index, we will correct it for free forever.

We appreciate the opportunity to present our services and look forward to working with you. If you have any questions, please call (303) 319-9457 or e-mail enejedly@us-imaging.com.

Sincerely,



Eric Nejedly
National Account Manager
US Imaging, Inc.

400 S. Franklin St. • Saginaw, MI 48607
Phone: (303) 319-9457 • Fax: (989) 753-7933

EXHIBIT A

Full Document Indexing

Stanislaus County Requirements:

- **Import Indexes** – The County will contract with AtPac for upload and import each index into County's AtPac software system.

US Imaging Requirements:

- **Indexing** – All indexing is accomplished via double-key, blind verification. The first indexer keys the characters, A second indexer keys the characters from the same fields without seeing the first indexer's results, software compares the two and if there are any discrepancies, it goes to a third operator who compares them both with the image and keys the correct index. This is the only methodology which allows for 99.95% accuracy or higher.
- **Formatting** – US Imaging will format the indexes to the requirements provided by AtPac.
- **USB Hard Drives** – All formatted indexes will be copied to 2 sets of external 500GB USB Hard Drives. 1 set will be shipped to the County for review and on-site backup. 1 set will be stored at US Imaging for off-site backup. All Hard Drives, images and indexes are the exclusive property of Stanislaus County and will not be reproduced or distributed to any person or entity without written permission from Stanislaus County.

Images will be indexed by the fields identified and requested by the county.

Index Fields

- Grantor
- Grantee
- Date
- Doc Type(s)

Phase 1: Estimated Investment to Fully Index 1950-1993 (All Typed Records)

			=	2,589,330 Documents
2 Drives	@	\$250.00 Per 500GB USB Drive & Copying @ 2 Sets	=	\$500.00
2,589,330 Documents	@	\$0.200 Per Document to Fully Index (See Specs Above)	=	<u>\$517,866.00</u>
Total Investment			=	<u>\$518,366.00</u>

Phase 2: Estimated Investment to Fully Index 1854-1949 (Handwritten and Typed) Records

		Handwritten Documents	=	16,607 Documents
		Form Documents	=	127,009 Documents
		Typed Documents	=	459,693 Documents
2 Drives	@	\$250.00 Per 500GB USB Drive & Copying @ 2 Sets	=	\$500.00
16,607 Documents	@	\$0.315 Per Document to Fully Index (See Specs Above)	=	\$5,231.21
127,009 Documents	@	\$0.260 Per Document to Fully Index (See Specs Above)	=	\$33,022.34
459,693 Documents	@	\$0.200 Per Document to Fully Index (See Specs Above)	=	<u>\$91,938.60</u>
Total Investment			=	<u>\$130,692.15</u>

The proposed quantities above are estimated, invoiced quantities will be actual. Invoices will be issued when work is completed.

US Imaging requires a signed agreement and purchase order be provided prior to starting a project.

US Imaging will not reproduce or distribute Stanislaus County images and/or indexes to any other entity except Stanislaus County.

ACCEPTANCE AND AUTHORIZATION:

Stanislaus County may designate acceptance of this proposal by signature of a duly authorized officer of the company. Total costs for initial implementation and ongoing costs have been described herein.

In exchange for products and services outlined in this proposal, Stanislaus County agrees to pay US Imaging, Inc., the total amount due within 30 days from the date of invoice. Any amounts outstanding will be assessed a finance charge of 1 1/2 percent per month on the unpaid balance.

US Imaging also reserves the right to collect monies owed in the event of nonpayment and recover any and all legal fees in addition to the unpaid balance.

Accepted by:

Lee Lundrigan
Clerk & Recorder
Stanislaus County
1021 I St #101.
Modesto, CA 95354

Accepted by:

Eric Nejedly
National Account Manager
US Imaging, Inc.
400 S. Franklin Street
Saginaw, MI 48607

Signature _____

Signature:  _____

Date _____

Date December 12, 2016

___ Phase 1: Fully Index 1950-1993 = \$518,366.00

___ Phase 2: Fully Index 1854-1949 = \$130,692.15

EXHIBIT B

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):** 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 (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** If the Consultant or the Consultant's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under the Agreement 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 limits not less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or 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 County.

Application of Excess Liability Coverage

Consultants may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

Other Insurance Provisions

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

Additional Insured Status

The County, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy and the Auto Liability 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, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the **Consultant's insurance coverage shall be primary** insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Reporting: Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employee's, agents or volunteers.

Notice of Cancellation

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

Waiver of Subrogation

Consultant hereby grants to County a waiver of any right to subrogation (except for Professional Liability) which any insurer of said Consultant may acquire against the County 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 County has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the County. The County 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 County.

Acceptability of Insurers

Insurance is to be placed with California admitted insurers (licensed to do business in California) with a current A.M. Best's rating of no less than A-VII, however, if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Approved Surplus Line Insurers (LASLI) maintained by the California Department of Insurance.

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. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

Verification of Coverage

Consultant shall furnish the County with a copy of the policy declaration and endorsement page(s), original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All **certificates and endorsements are to be received and approved by the County before work commences**. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

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

Special Risks or Circumstances

County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Insurance Limits

The limits of insurance described herein shall not limit the liability of the Consultant and Consultant's officers, employees, agents, representatives or subcontractors. Consultant's obligation to defend, indemnify and hold the County, its officers, officials, employees, agents and volunteers harmless under the provisions of this paragraph is not limited to or restricted by any requirement in the Agreement for Consultant to procure and maintain a policy of insurance.

[SIGNATURES SET FORTH ON THE FOLLOWING PAGE]

APPROVED AS TO INSURANCE CONTENT:

Stanislaus County

Chief Executive Office – Risk Management Division

By: Kevin Watson

Name: Kevin Watson

Title: Liability & Insurance Manager

Date: 05/12/2017

Vendor: US Imaging, Inc.