

MEETING DATE:

05/11/09

AGENDA ITEM:

Approval of an Amendment to an Existing Agreement with Cynrede, Inc to Digitize Finance Department Documents in an Amount not-to-exceed \$25,000 (for a Total Contract Amount Not-to-Exceed \$35,000)

ATTACHMENTS

Pages

1. Agreement 2008-171 with Cynreded Inc

1-14

CITY OF CULVER CITY
STANDARD FORM CONTRACT

WITH: CYNREDE INC

FOR: DIGITIZING HISTORICAL DOCUMENTS

THIS AGREEMENT is made and entered into by and between THE CITY OF CULVER CITY, a municipal corporation, hereinafter referred to as "City," and CYNREDE INC, a California corporation, hereinafter referred to as "Contractor."

1. CONTRACTOR'S SERVICES. Contractor agrees to perform, during the term of this Agreement, the tasks, obligations, and services set forth in the "Scope of Service" attached to and incorporated into this Agreement as Exhibit "A."
2. TERM OF AGREEMENT. The term of this Agreement shall be from the effective date pursuant to Paragraph 27 of this Agreement and shall end upon satisfactory completion of the work, as reasonably determined by City's Chief Information Officer.
3. PAYMENT FOR SERVICES. City shall pay for the services performed by Contractor pursuant to the terms of this Agreement, the compensation set forth in the "Schedule of Compensation" attached to and incorporated into this Agreement as Exhibit "B." The compensation shall be paid at the time and manner set forth in said Exhibit "B."
4. TIME FOR PERFORMANCE. Contractor shall not perform any work under this Agreement until (a) Contractor furnishes proof of insurance as required under Paragraph 7 of this Agreement; and, (b) City gives Contractor a written and signed Notice to Proceed.
5. DESIGNATED REPRESENTATIVE(S). Kevin FitzGerald, President, shall be the designated Contractor Representative, and shall be responsible for job performance, negotiations, contractual matters, and coordination with the City. Contractor Representative shall actually perform, or provide immediate supervision of Contractor's performance of, the Scope of Service.
6. HOLD HARMLESS. To the fullest extent permitted by law, Contractor shall indemnify, defend (at Contractor's sole expense, with legal counsel approved by City) and hold harmless the City of Culver City, members of its City Council, its boards and commissions, officers, agents, and employees (hereinafter, "Indemnitees"), from and against all loss, damage, cost, expense, liability, claims, demands, suits, attorneys' fees and judgments arising from or in any manner connected to Contractor's

or its employees or agent's wrongful or negligent acts, errors or omissions related to this Agreement. This indemnification includes, but is not limited to, tort liability to a third person for bodily injury and property damage.

Contractor agrees that this obligation to indemnify, defend and hold harmless extends to liability and/or claims arising from Indemnitees' active or passive negligence.

Notwithstanding the foregoing, nothing herein shall be construed to require Contractor to indemnify an Indemnitee from any claim arising from the sole negligence or willful misconduct of that Indemnitee.

The duty to defend referenced herein is wholly independent from the duty to indemnify, arises upon written notice by City to Contractor of a claim within the potential scope of this indemnification provision, and exists regardless of any determination of the ultimate liability of Contractor, City or any Indemnitee.

7. INSURANCE. Without limiting its obligations pursuant to Section 6 of this Agreement, the Contractor shall procure and maintain, at Contractor's own cost and expense and for the duration of this Agreement, insurance coverage as set forth in "Insurance Requirements" attached to and incorporated into this Agreement as Exhibit "C."
8. INDEPENDENT CONTRACTOR STATUS. City and Contractor agree that Contractor, in performing the services herein specified, shall act as an independent Contractor and shall have control of all work and the manner in which it is performed. Contractor shall be free to contract for similar service to be performed for other employers while under contract with City. Contractor is not an agent or employee of City, and is not entitled to participate in any pension plan, insurance, bonus, worker's compensation or similar benefits City provides for its employees. Contractor shall be responsible to pay and hold City harmless from any and all payroll and other taxes and interest thereon and penalties therefor which may become due as a result of services performed hereunder.
9. NON-APPROPRIATION OF FUNDS. Payment due and payable to Contractor for current services is within the current budget and within an available, unexhausted and unencumbered appropriation of City. In the event City has not appropriated sufficient funds for payment of Contractor services beyond the current fiscal year, this Agreement shall cover only those costs incurred up to the conclusion of the current fiscal year.
10. ASSIGNMENT. This Agreement is for the specific services with Contractor as set forth herein. Any attempt by Contractor to assign the benefits or burdens of this Agreement without written approval of City shall be prohibited and shall be null and void; except that Contractor may assign payments due under this Agreement to a financial institution.

11. RECORDS AND INSPECTIONS. Contractor shall maintain full and accurate records with respect to all services and matters covered under this Agreement. City shall have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings and activities. Contractor shall maintain an up-to-date list of key personnel and telephone numbers for emergency contact after normal business hours.
12. OWNERSHIP OF CONTRACTOR'S WORK PRODUCT. City shall be the owner of any and all computations, plans, correspondence and/or other pertinent data, information, documents and computer media, including disks and other materials gathered or prepared by Contractor in performance of this Agreement, or at any earlier or later time when the same may be requested by City. Such work product shall be transmitted to City within ten (10) days after a written request therefor. Contractor may retain copies of such products. All written documents shall be provided to City in digital and in hard copy form.
13. NOTICES. All notices given or required to be given pursuant to this Agreement shall be in writing and may be given by personal delivery or by mail. Notice sent by mail shall be addressed as follows:
- To City: City of Culver City
Attention: John Richo,
Chief Information Officer
9770 Culver Boulevard
Culver City, CA 90232-0507
- To Contractor: Cynrede, Inc
Attention: Kevin FitzGerald, President
1533-E-Orangewood-Avenue-22982 La Cadena Drive
-Orange, CA-92868- Suite 220
Laguna Hills, CA 92653
14. TAXPAYER IDENTIFICATION NUMBER. Contractor shall provide City with a complete Request for Taxpayer Identification Number ("TIN") and Certification, Form W-9, as issued by the Internal Revenue Service.
15. PERMITS AND LICENSES. Contractor, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement including, but not limited to, a Culver City business tax certificate.
16. APPLICABLE LAWS, CODES AND REGULATIONS. Contractor shall perform all work in accordance with all applicable laws, codes and regulations required by all authorities having jurisdiction over such work.

Contractor agrees to comply with prevailing wage requirements as specified in the California Labor Code, Sections 1770, et seq.

17. PURCHASES OF SUPPLIES AND MATERIALS WITHIN CULVER CITY. For work performed, Contractor agrees to seek bids for supplies and materials from businesses located within the City of Culver City, with the intent to make purchases from these businesses if such purchases can be made at competitive prices.
18. RIGHT TO UTILIZE OTHERS. City reserves the right to utilize others to perform work similar to the services provided hereunder.
19. MODIFICATION OF AGREEMENT. This Agreement may not be modified, nor may any of the terms, provisions or conditions be modified or waived or otherwise affected, except by a written amendment signed by all parties hereto.
20. WAIVER. If at any time one party shall waive any term, provision or condition of this Agreement, either before or after any breach thereof, no party shall thereafter be deemed to have consented to any future failure of full performance hereunder.
21. COVENANTS AND CONDITIONS. Each term and each provision of this Agreement to be performed by Contractor shall be construed to be both a covenant and a condition.
22. RIGHT TO TERMINATE. City may terminate this Agreement at any time, with or without cause, in its sole discretion, with thirty-days' (30-days') written notice.
23. EFFECT OF TERMINATION. Upon termination as stated in Paragraph 22 of this Agreement, City shall be liable to Contractor only for work satisfactorily performed by Contractor up to and including the date of termination of this Agreement, unless the termination is for cause, in which event Contractor need be compensated only to the extent required by law. Contractor shall be entitled to payment for work satisfactorily completed to date, based on a proration of the monthly fees set forth in Exhibit "B" attached hereto. Such payment will be subject to City's receipt of a close-out billing.
24. GOVERNING LAW. The terms of this Agreement shall be interpreted according to the laws of the State of California. If litigation arises out of this Agreement, then venue shall be in the Superior Court of Los Angeles County.
25. LITIGATION FEES. If litigation arises out of this Agreement for the performance thereof, then the court shall award costs and expenses, including attorney's fees, to the prevailing party. In awarding attorney's fees, the court shall not be bound by any court fee schedule but shall

award the full amount of costs, expenses and attorney's fees paid or incurred in good faith.

26. INTEGRATED AGREEMENT. This Agreement represents the entire Agreement between City and Contractor regarding the subject matter hereof, and all preliminary negotiations and agreements are deemed a part of this Agreement. No verbal agreement or implied covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties to this Agreement, and any subsequent successors and assigns.

27. EFFECTIVE DATE. The effective date of this Agreement is the date it is signed on behalf of City, and shall remain in full force and effect until amended or terminated; provided, that the indemnification and hold harmless provisions shall survive the termination.

Dated: November 10, 2008

CYNREDE INC

By


Kevin A. FitzGerald

Its President

Dated: _____

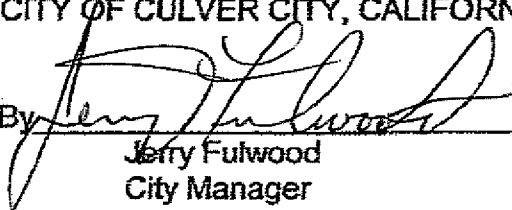
By _____

Its _____

CITY OF CULVER CITY, CALIFORNIA

Dated: 12/1/08

By


Jerry Fulwood
City Manager

(Signatures continued on Page 6)

(Signatures continued from Page 5)

APPROVED AS TO CONTENT:


John Richo
Chief Financial Officer

APPROVED AS TO FORM:


Carol A. Schwab
for City Attorney

APPROVED AS TO FINANCING:


Jeff Muir
Chief Financial Officer

APPROVED AS TO BUSINESS
TAX CERTIFICATE: 064836

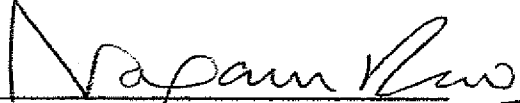

Treasury Division

EXHIBIT A

CITY OF CULVER CITY
AGREEMENT

WITH: CYNREDE INC

FOR: DIGITIZING HISTORICAL DOCUMENTS

SCOPE OF SERVICE

The following services shall be provided by Contractor:

1. Contractor shall provide pick-up of the documents from City within 3 days of being notified and return the documents to City at a rate of 10 boxes per week.
2. Contractor shall scan all available documents to a resolution as determined by City.
3. Contractor will index all scanned images to content and format based upon the type of document and specified by City.
4. Contractor will return those scanned images and indexes of all documents to City on a labeled CD-ROM or DVD-ROM.

EXHIBIT B

CITY OF CULVER CITY
AGREEMENT

WITH: CYNREDE INC

FOR: DIGITIZING HISTORICAL DOCUMENTS

SCHEDULE OF COMPENSATION
(TIME AND MATERIALS BASIS)

- A. METHOD OF PAYMENT. Payment for all work performed by Contractor pursuant to the terms of this Agreement, including Contractor's meeting with City staff, shall be made on the basis of the rates set forth in Contractor's Proposal Pricing, which is attached hereto, and incorporated herein by reference as though fully set forth.
- B. BILLING. At the end of each calendar month in which services are performed or expenses are incurred under this Agreement, and prior to the 10th day of the following month, Contractor shall submit an invoice to the City at the following address:

City of Culver City
Attn: John Richo, Chief Information officer
9770 Culver Boulevard
Culver City, CA 90232-0507

The invoice submitted pursuant to this paragraph shall show the City Agreement Number, the dates on which the services were performed, a description of the services performed, and such other information as City may reasonably require.

- C. TIME OF PAYMENT. Payment to Contractor shall be made within thirty (30) days after submittal of Contractor's invoice and approval by City, in accordance with City's normal demand procedure.
- D. MAXIMUM COMPENSATION. Notwithstanding the foregoing, Contractor shall complete all the work and tasks described in Exhibit A for a total amount of compensation that does not exceed Ten Thousand Dollars (\$10,000.00).

8

PROPOSAL PRICING

Please detail pricing for the following:

Description	Price	Unit
DOCUMENT SCANNING		
Pickup or Delivery	\$25.00	Per Visit
Packing of Boxes	\$19.50	Per Hour onsite
Document Purging	Cynrede will not purge documents unless the City first marks each page. We cannot be held responsible for deleting City records. Should the City decide to mark the files, then the cost will be \$ 19.50 for onsite work and \$17.50 for in-bureau work.	
Document Preparation	\$17.50	Per Hour
Bates Stamping	\$0.01	Per Page Stamped
Document Reassembly	\$17.50	Per Hour
<i>Scanning Source Documents - Black & White - 200 DPI (ALL pages are hand-fed through each scanner)</i>		
8 1/2 x 11	\$0.052	Per Page
8 1/2 x 14	\$0.052	Per Page
11 x 14	\$0.052	Per Page
11 x 14 burst	\$0.052	Per Page
<i>Scanning Source Documents - Black & White - 300 DPI (ALL pages are hand-fed through each scanner)</i>		
8 1/2 x 11	\$0.059	Per Page
8 1/2 x 14	\$0.059	Per Page
11 x 14	\$0.059	Per Page
11x17	\$0.059	Per Page
<i>Scanning Source Documents - Black & White - 400 DPI (ALL pages are hand-fed through each scanner)</i>		
8 1/2 x 11	\$0.062	Per Page
8 1/2 x 14	\$0.062	Per Page
11 x 14	\$0.062	Per Page
11x17	\$0.062	Per Page
<i>Scanning Source Documents - COLOR - 200 DPI (ALL pages are hand-fed through each scanner)</i>		
8 1/2 x 11	\$0.062	Per Page
8 1/2 x 14	\$0.062	Per Page
11 x 14	\$0.062	Per Page
11x17	\$0.062	Per Page

*Request for Proposal
Historical Document Digitizing Project*

Description	Price	Unit
<i>Scanning Source Documents - Grayscale - 300 DPI</i>		
Description	Price	Unit
<i>(All pages are to be hand-fed through each scanner)</i>	\$0.062	Per Page
8 1/2 x 11	\$0.062	Per Page
8 1/2 x 14	\$0.062	Per Page
11 x 14	\$0.062	Per Page
11x17	\$0.062	Per Page
<i>Scanning Engineering / Oversized Documents - Black & White 200 DPI</i>		
A size	\$0.052	Per Sheet
B size	\$0.052	Per Sheet
C size	\$0.90	Per Sheet
D size	\$0.90	Per Sheet
E size	\$0.90	Per Sheet
J size (per image frame)	\$1.25	Per Sheet
<i>Scanning Engineering / Oversized Documents - Black & White 300 DPI</i>		
A size	\$0.059	Per Sheet
B size	\$0.059	Per Sheet
C size	\$1.09	Per Sheet
D size	\$1.09	Per Sheet
E size	\$1.09	Per Sheet
J size (per image frame)	\$1.50	Per Sheet
<i>Scanning Engineering / Oversized Documents - Black & White 600 DPI</i>		
A size	\$0.065	Per Sheet
B size	\$0.065	Per Sheet
C size	\$1.50	Per Sheet
D size	\$1.50	Per Sheet
E size	\$1.50	Per Sheet
J size (per image frame)	\$1.85	Per Sheet
<i>Scanning Engineering / Oversized Documents - COLOR - 200 DPI</i>		
C size	\$1.90	Per Sheet
D size	\$2.20	Per Sheet
E size	\$2.40	Per Sheet
J size (per image frame) max. width 48"	\$2.90	Per Sheet

Request for Proposal
Historical Document Digitizing Project

Scanning Engineering / Oversized Documents - COLOR - 200 dpi		
D size	\$2.20	Per Sheet
E size	\$2.40	Per Sheet
J size (per image frame) max. width 48"	\$2.90	Per Sheet
Scanning Continuous Forms - 200 DPI		
Less than 11" x continuous	\$0.10	Per Foot
DIGITIZING - 200 DPI		
16mm Roll (Unattended)	\$0.028	Per Image
35mm Roll (Unattended)	\$0.063	Per Image
16mm Roll (Attended)	\$0.045	Per Image
35mm Roll (Attended)	\$0.085	Per Image
16mm 4" x 6" Jacketed Microfiche (Attended Pagination)	\$0.065	Per Image
16mm, Single Channel, 4" x 6" Jacketed Microfiche (Attended Pagination)	\$0.10	Per Image
	\$0.65	Per card - whichever is greater
105mm Microfiche (24x)	\$0.065	COM Film - Per Image
105mm Microfiche (42x or 48x)	\$0.060	COM Film - Per Image
Aperture Card (Silver)	\$0.60	Per Image
Aperture Card (Diaz)	\$0.60	Per Image
DIGITIZING - 300 DPI		
16mm Roll (Unattended)	\$0.033	Per Image
35mm Roll (Unattended)	\$0.072	Per Image
16mm Roll (Attended)	\$0.052	Per Image
35mm Roll (Attended)	\$0.095	Per Image
16mm 4" x 6" Jacketed Microfiche (Attended Pagination)	\$0.075	Per Image
16mm, Single Channel, 4" x 6" Jacketed Microfiche (Attended Pagination)	\$0.11	Per Image
	\$0.65	Per card - whichever is greater
35mm 4" x 6" Jacketed Microfiche (Attended Pagination)	\$0.26	Per Image
	\$0.65	Per card - whichever is greater
35mm, Single Channel, 4" x 6" Jacketed Microfiche (Attended Pagination)	\$0.26	Per Image
	\$0.65	Per card - whichever is greater
105mm Microfiche (42x or 48x)	\$0.066	Per Image
Aperture Card (Silver)	\$0.90	Per Image
Aperture Card (Diaz)	\$0.90	Per Image

*Request for Proposal
Historical Document Digitizing Project*

<i>ADDITIONAL SERVICES</i>		
<i>Automatic Image Enhancements</i>		
Deskew	Included	Per Image
Despeckle	Included	Per Image
Black Border Removal	Included	Per Image
Image Enhancement	Included	Per Image
<i>Manual Image Enhancements</i>		
Despeckle	\$0.05	Per Image
Image Enhancement	\$0.05	Per Image
Cropping	\$0.05	Per Image
<i>Indexing/Data Entry/OCR</i>		
Indexing/Data Entry	\$0.005	Per Keystroke
OCR Full Page Indexing (No Cleanup)	\$0.05	Per Image
OCR Full Page Indexing (With Cleanup)	\$0.005	Per Keystroke
<i>Media</i>		
Gold CD-R Disc	\$10.00	Per Disc
Silver CD-R Disc	\$9.00	Per Disc
DVD-R4.7 GB Disc	\$20.00	Per Disc
FTP Transfer - Upload 650 MB or less	\$10.00	Per 650 MB
<i>Miscellaneous Services</i>		
Kodak Archive Writer 16mm (100' film) - Media	\$15.75	Per Roll
Images converted to Kodak Archive Writer 16mm Film (100' film)	\$0.03	Per Image
Database Match & Merge	\$0.01	Per Record
Data Warehousing	\$0.000125	Per Image Per Month ¹
Imprinting	\$0.00013	Per Character
Creation of Barcode Targets	Included	Per Target ²
Conversion of Images to Multi-page TIFF's	\$0.01	Per Single Image ³
Conversion of Images to Multi-page PDF's	\$0.01	Per Single Image ⁴
Page by Page Inspection of Each Scanned Image	Included	Refer to Appendix B
Document Recycling	\$2.25	Per Cubic Foot
Certified Document Destruction	\$3.75	Per Cubic Foot

- 2) Please identify any costs for continual services beyond Phase I of the scope of this Request for Proposal.

At this time, there are no additional costs identified.

¹ Charges for setup and software may apply.

² Target are for City use. Cynrede will provide PDF target files. The City will be responsible for the xerography. When targets are used at the bureau, they all costs are covered by Cynrede.

³ Does not apply to business or large format records when initially scanned to multi-page TIFF

⁴ Does not apply to business or large format records when initially scanned to PDF

EXHIBIT C

CITY OF CULVER CITY
AGREEMENT

WITH: CYNREDE INC

FOR: DIGITIZING HISTORICAL DOCUMENTS

INSURANCE REQUIREMENTS

A. Policy Requirements.

Contractor shall submit duly executed certificates of insurance for the following:

1. An occurrence based Comprehensive General Liability ("CGL") policy, at least as broad as ISO Form CG 0001, in the minimum amount of One Million Dollars (\$1,000,000) each occurrence, with not less than Two Million Dollars (\$2,000,000) in annual aggregate coverage.

The CGL Policy shall have the following requirements:

- a. The policy shall provide coverage for personal injury, bodily injury, death, accident and property damage and advertising injury, as those terms are understood in the context of a CGL policy. The coverage shall not be excess or contributing with respect to City's self-insurance or any pooled risk arrangements;
- b. The policy shall provide \$1,000,000 combined single limit coverage for owned, hired and non-owned automobile liability;
- c. The policy shall include coverage for liability undertaken by contract covering, to the maximum extent permitted by law. Contractor's obligation to indemnify the Indemnitees as required under Paragraph 6 of this agreement;
- d. The Policy shall not exclude coverage for Completed Operations Hazards or Athletic or Sports Participants; and
- e. The City of Culver City, members of its City Council, its boards and commissions, officers, agents, and employees will be named as an additional insured in an endorsement to the policy, which shall be provided to the City and approved by the City Attorney.

2. Business Automobile Liability Insurance coverage in the amount of One Million Dollars (\$1,000,000), providing coverage for use of mobile equipment (i.e. heavy mobile equipment or vehicles primarily for use in an off-road environment), to the extent that (1) such mobile equipment will be used within the City limits or on City business, and (2) coverage for mobile equipment is not otherwise covered by the CGL policy listed in subparagraph (a), above.

3. Professional/Negligent Acts, Errors and Omissions Insurance in the minimum amount of One Million Dollars (\$1,000,000) per claim, and shall include coverage for separate "personal injury" alleged to have been committed in the course of rendering professional services, unless such coverage is provided by the CGL policy listed in subparagraph (a), above.

4. Workers' Compensation limits as required by the Labor Code of the State of California with Employers' Liability limits of One Million Dollars (\$1,000,000.00) per accident, if the Agreement will have Contractor employees working within the City limits.

B. Waiver by City.

City may waive one or more of the coverages listed in Section A, above. This waiver must be express and in writing, and will only be made upon a showing by the Contractor that its operations in and with respect to City are not such as to impose liability within the scope of that particular coverage.

C. Additional Insurance Requirements.

1. All insurance listed in Paragraph A shall be issued by companies licensed to do business in the State of California, with a claims paying ability rating of "BBB" or better by S&P (and the equivalent by any other Rating Agency) and a rating of A:VII or better in the current Best's Insurance Reports;

2. Contractor shall provide City with at least thirty (30) days prior written notice of any modification, reduction or cancellation of any of the Policies required in Paragraph A, or a minimum of ten (10) days notice for cancellation due to non-payment.

3. City may increase the scope or dollar amount of coverage required under any of the policies described above, or may require different or additional coverages, upon prior written notice Contractor.