



AGENDA REPORT

Meeting Date: May 4, 2010
Item Number: F-15
To: Honorable Mayor & City Council
From: Scott Miller, Director of Administrative Services and CFO
Noel Marquis, Assistant Director of Administrative Services - Finance
Subject: APPROVALS RELATED TO VARIOUS CITY PURCHASING AND BUDGET TRANSACTIONS AS DESCRIBED HEREIN
Attachments: Agreements (2)

Item A. APPROVAL OF A PURCHASE ORDER TO DELL MARKETING L.P. IN THE AMOUNT OF \$58,739.02 FOR THE PURCHASE OF RUGGEDIZED LAPTOPS FOR BUILDING INSPECTORS AND CODE ENFORCEMENT OFFICERS IN COMMUNITY DEVELOPMENT-BUILDING AND SAFETY

RECOMMENDATION

The Information Technology Department requests approval of a purchase order to Dell Marketing L.P. in the amount of \$58,739.02, for the purchase of fifteen (15) ruggedized laptops for Community Development-Building and Safety.

INTRODUCTION

As part of their work plans for this fiscal year, Information Technology and Community Development determined that customer service would be enhanced if Building and Safety officials had real-time access to the City's property database while on site visits.

DISCUSSION

The mobile computing solution identified will allow Building Inspectors and Code Enforcement Officers to complete tasks with real-time transactions in the field, as well as update any necessary information that is observed from the field at the time of the observance. The ruggedized laptops being purchased are part of this solution, along with wireless network access using aircards. Their use will ensure City officials have access to all relevant and up-to-date data to provide quality customer service.

Dell has obtained CMAS contract #3-94-70-0012 which is valid through June 30, 2011. The Beverly Hills Municipal code section 3-2-205C provides for *purchases of supplies, equipment or services where competitive bid procedures have already been utilized, such as purchases from federal, state or county governments, including, state of California agencies, counties, cities, joint power agencies, special districts, and nonprofit agencies whose main purpose is to assist cities or other public entities (i.e., League of California Cities, Independent Cities Association, etc.) and the supplies or equipment are supplied to the city at the same or better price, as was obtained through the competitive bid procedures of that entity. (Ord. 06-O-2504, eff. 10-20-2006).* CMAS represents such a competitive bid process.

The requested purchase is part of the IT and Community Development work plans for fiscal year 2009/2010 and funds are available in the Community Development Technology fund for Computer Equipment (\$49,000.00) and Telephone Communication Circuits (\$9,739.02).

FISCAL IMPACT

Funds are available in the Community Development Technology Fund (2303601-74160/73140) for this purpose.

Item B. APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND STEGEMAN & KASTNER, INC. FOR CONSULTING SERVICES RELATED TO TENANT IMPROVEMENTS AT THE 331 FOOTHILL ROAD OFFICE BUILDING; AND

APPROVAL OF A PURCHASE ORDER IN A TOTAL NOT-TO-EXCEED AMOUNT OF \$155,000 FOR THESE SERVICES

RECOMMENDATION

Staff recommends that the City Council approve the agreement and purchase order in the not-to-exceed amount of \$155,000 to Stegeman & Kastner, Inc. for consulting services related to tenant improvements at the 331 Foothill Road Office Building.

INTRODUCTION

On December 1, 2009, Council approved a lease for the 331 Foothill Road Office Building with Participant Media. The tenant improvement work underway by Participant Media is nearing completion.

Stegeman & Kastner, Inc. have been providing various consulting services to the City since 2004 and will serve as liaison between the City and the City's potential tenants to integrate the 331 Foothill Road Office building architectural, structural, MEP scope of work and the tenant's design.

DISCUSSION

Stegeman & Kastner, Inc. will assist staff and potential tenants with the tenant's specific space requirements and the tenant improvement construction process from design to occupancy. The agreement for Council approval will provide for continued consulting services related to tenant improvements within the 331 Foothill Road Office Building at a total cost not-to-exceed \$155,000.

FISCAL IMPACT

Funds are available in the Tenant Improvement CIP fund (11080888-85060) for this purpose.

Item C. APPROVAL OF A PURCHASE ORDER TO THE WAKEFIELD COMPANY FOR DUMOR STEEL BENCHES AND TRASH RECEPTACLES FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$68,728.58

RECOMMENDATION

The Community Services Department recommends that the City Council approve a purchase order for Dumar steel benches and trash receptacles to the lowest responsible bidder, The Wakefield Company for a total not-to-exceed amount of \$68,728.58.

INTRODUCTION

After many years of service, the benches and trash receptacles in Beverly Gardens Park are in need of significant repair or replacement. Several years ago, an inventory of park amenities revealed that poor condition ratings were widespread among benches and trash receptacles that are of the concrete aggregate and/or wood configuration while benches and trash receptacles of a metal configuration had much better overall condition ratings.

After completing the inventory and associated analysis, it was determined that benches and trash receptacles of a metal configuration are desirable in that these products have historically outperformed their counterparts in terms of useful lifespan and maintenance requirements.

DISCUSSION

The City has undertaken several upgrades in Beverly Gardens Park over the past decade. During these upgrades, the consulting landscape architect specified benches and trash receptacles of a powder coated steel configuration, suggesting the Dumor products or equivalent. The specified Dumor bench comes standard with a plaque insert which provides for memorial, recognition, sponsorship or gifting opportunities. Since no equivalents were proposed or approved during the bidding process for these projects, the Dumor products were used. At present, approximately 15 percent of the benches and trash receptacles in Beverly Gardens Park have been upgraded to the Dumor product line.

Seeking to match the existing inventory of upgraded benches and trash receptacles in the park, staff solicited request for proposals (RFP), referred to as Bid 10-32, from three known vendors of the Dumor product line. In addition, the RFP was posted on the City website. Sealed bids were received at the City Clerk's office and opened by the City Clerk on March 25, 2010 at 2:00pm. Four responses were received as follows:

- | | |
|--------------------------|-------------|
| 1. Creative Pipe, Inc. | \$57,984.70 |
| 2. Preeminence | \$62,469.70 |
| 3. The Wakefield Company | \$68,728.58 |
| 4. Dumor Inc. | \$80,094.03 |

Community Services staff evaluated the bids and determined that the two lowest bidders, Creative Pipe, Inc. and Preeminence, while lower in price than the other two vendors, were disqualified as the products they represented did not match what was clearly specified in the bid. The Wakefield Company and Dumor, Inc. both submitted bids for the specified product, with The Wakefield Company having the lower bid. The bid includes a limited ten-year warranty against structural failure.

In addition to eliminating hazards and maintenance concerns, the replacement of the remaining concrete aggregate/wood benches and trash receptacles in Beverly Gardens Park will result in several decades of worry free performance in an aesthetically pleasing, functional and uniform set of amenities that provide for recognition and sponsorship opportunities in the future.

FISCAL IMPACT

Funds are available in the Park Facility Maintenance-CIP Fund (35160315-75040) for this purpose.

**Item D. AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
MATRIX IMAGING PRODUCTS, INC. TO PROVIDE DOCUMENT
CONVERSION SERVICES; AND**

**APPROVAL OF A PURCHASE ORDER IN A TOTAL NOT-TO-EXCEED
AMOUNT OF \$150,000 FOR THE SERVICES**

RECOMMENDATION

The Information Technology Department recommends that the City Council approve the agreement and purchase order in the amount of \$150,000 to Matrix Imaging Products, Inc. to provide document conversion services.

INTRODUCTION

As part of the City's Document Management Project which began in 2005, the City purchased the EMC Documentum Solution to manage content of all City records and archives. The City is actively using the system's Intranet-based records search, retrieval and archive functions.

Currently, four (4) departments require document conversion services; 1) Police Department (numeric reports and arrest records), 2) Community Development (planning project files), 3) Engineering Department (infrastructure plans and drawings), and the Community Services Department (facility project files). The City also requires some level of indexing of these converted documents for search, retrieval and archive in the existing system.

DISCUSSION

Matrix Imaging Products, Inc. won the initial bid for the creation of a new document records management system, and related document conversion services, and is the City's current preferred provider of these services. In order to maintain continuity of the conversion process within departments and continuity with the systems' maintenance and upgrades, staff recommends retaining their services.

Matrix Imaging Products, Inc. has obtained Master Service Agreement (MSA) contract#5-03-70-93A from the State of California General Services which is valid through June 30, 2010. The Beverly Hills Municipal code section 3-2-205C provides for *purchases of supplies, equipment or services where competitive bid procedures have already been utilized, such as purchases from federal, state or county governments, including, state of California agencies, counties, cities, joint power agencies, special districts, and nonprofit agencies whose main purpose is to assist cities or other public entities (i.e., League of California Cities, Independent Cities Association, etc.) and the supplies or equipment are supplied to the city at the same or better price, as was obtained through the competitive bid procedures of that entity. (Ord. 06-O-2504, eff. 10-20-2006).* MSA represents such a competitive bid process.

The purchase is part of the Information Technology Department's work plans for fiscal year 2009/2010. The total consideration of the agreement is \$150,000.00.

FISCAL IMPACT

Funds are available in the CIP Other Fund (31410335-85060) for this purpose.

Item E. APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF \$102,513.09 TO PLUMBERS DEPOT, INC. FOR THE PURCHASE OF A TRUCK-MOUNTED MECHANICAL RODDER

RECOMMENDATION

Staff recommends that the City Council approve a purchase order in the amount of \$102,513.09 to Plumbers Depot, Inc. for the purchase of a Truck-mounted Mechanical Rodder.

INTRODUCTION

Following an annual evaluation of the City's vehicle and equipment fleet, staff has determined that the 1991 Ford 600 w/ Mechanical Rodder has exceeded its useful and economical life expectancy. Wastewater staff provided technical specifications to the purchasing staff that proceeded to assemble a bid referred to as Bid 10-36 and conducted a formal bid.

The equipment due for replacement is assigned to the Department of Public Works & Transportation (PW&T) Wastewater Maintenance Division and being utilized for the maintenance and removal of blockages in sewer lines.

DISCUSSION

Bid 10-36 was opened by the City Clerk's Office on April 6, 2010 at 2pm. Due to the highly specialized nature of this machine, Bid 10-36 garnered just one (1) proposal. The vendor is Plumbers Depot, Inc. After reviewing this lone submittal, staff has determined that it is a qualified and responsible bid.

Funding for this purchase is available in the Vehicle Replacement fund (\$70,347.00) and in the Wastewater Maintenance fund (\$32,166.09).

Meeting Date: May 4, 2010

FISCAL IMPACT

Funds are available in the Vehicle Replacement Fund (49-85050) and the Wastewater Maintenance Fund (84-74110) for this purpose.



Noel Marquis

Finance Approval



Scott G. Miller

Approved By

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
STEGEMAN & KASTNER, INC. FOR CONSULTING SERVICES
RELATED TO TENANT IMPROVEMENTS AT THE 331 FOOTHILL ROAD
OFFICE BUILDING

NAME OF CONSULTANT: Stegeman & Kastner, Inc.

RESPONSIBLE PRINCIPAL OF CONSULTANT: Fritz W. Kastner, Chairman & Chief Executive Officer

CONSULTANT'S ADDRESS: 2601 Ocean Park Boulevard, Suite 300
Santa Monica, CA 90405
Attention: Fritz W. Kastner, Chairman & Chief ~~Financial~~ **Executive**
Officer

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Brenda Lavender, Real Estate & Property
Manager

COMMENCEMENT DATE: April 1, 2010

TERMINATION DATE: December 31, 2010

CONSIDERATION: Not to exceed \$ 155,000, including reimbursables and
based on the hourly rates set forth in Exhibit B

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
STEGEMAN & KASTNER, INC. FOR CONSULTING SERVICES
RELATED TO TENANT IMPROVEMENTS AT THE 331 FOOTHILL ROAD
OFFICE BUILDING

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Stegeman & Kastner, Inc. (hereinafter called "CONSULTANT").

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONSULTANT represents that it is qualified and able to perform the Scope of Works.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSULTANT's Scope of Work. CONSULTANT shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. City shall have the right to order, in writing, changes in the Scope of Work. Any changes in the Scope of Work by CONSULTANT must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section 2. Time of Performance. CONSULTANT shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY. CONSULTANT shall complete the performance of services by the Termination Date set forth above and/or in conformance with the project timeline established by the City Manager or his designee.

The City Manager or his designee may extend the time of performance in writing for two additional one-year terms or such other term not to exceed two years from the date of termination pursuant to the same terms and conditions of this Agreement.

Section 3. Compensation.

(a) Compensation. CITY agrees to compensate CONSULTANT for the services and/or goods provided under this Agreement, and CONSULTANT agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein.

(b) Expenses. The amount set forth in paragraph (a) of this section shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable). There shall be no claims for additional compensation for reimbursable expenses.

(c) Additional Services. City may from time to time require CONSULTANT to perform additional services not included in the Scope of Services. Such requests for additional services shall be made by City in writing and agreed upon by both parties in writing.

Section 4. Method of Payment. Unless otherwise provided for herein, CONSULTANT shall submit to City a detailed invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within 30 days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall pay CONSULTANT said Consideration in accordance with the schedule of payment set forth in Exhibit B, attached hereto and incorporated herein.

Section 5. Independent Contractor. CONSULTANT is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's employees, except as herein set forth. CONSULTANT shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONSULTANT without the prior written approval of CITY. Any attempt by CONSULTANT to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) CONSULTANT's Responsible Principal set forth above shall be principally responsible for CONSULTANT's obligations under this Agreement and shall serve as principal liaison between CITY and CONSULTANT. Designation of another Responsible by CONSULTANT shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. CONSULTANT represents that it has, or shall secure at its own expense, all personnel required to perform CONSULTANT's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Permits and Licenses. CONSULTANT shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONSULTANT. CONSULTANT affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONSULTANT.

Section 11. Insurance.

(a) CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONSULTANT.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence, combined single limit, covering any vehicle utilized by CONSULTANT in performing the Scope of Work required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(4) Professional Liability Insurance. A policy or policies of Professional Liability Insurance (errors and omissions) with minimum limits of One Million Dollars (\$1,000,000) per claim and in the aggregate. Any deductibles or self-insured retentions attached to such policy or policies must be declared to and be approved by CITY. Further, CONSULTANT agrees to maintain in full force and effect such insurance for one year after performance of work under this Agreement is completed.

(b) CONSULTANT shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONSULTANT's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONSULTANT shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONSULTANT shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general and auto liability insurance shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONSULTANT shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONSULTANT agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT or any person employed by CONSULTANT in the performance of this Agreement.

(a) In connection with the professional services required by this Agreement, CONSULTANT shall defend, hold harmless and indemnify CITY, and its elected officials, officers, employees, designated volunteers, and agents serving as independent contractors in the role of city officials, ("Indemnities"), from any claim, demand, damage, liability, loss, cost or expense, including but not limited to death or injury to any person and injury to any property ("claims"), arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of CONSULTANT or any of its officers, employees, subconsultants, or agents in the performance of its professional services under this Agreement. CONSULTANT shall defend Indemnities in any actions filed in connection with any such claims with counsel of Indemnities' choice, and shall pay all costs and expenses, including actual attorney's fees, incurred in connection with such defense.

(b) In connection with all claims not covered by Paragraph (a), CONSULTANT shall defend, hold harmless and indemnify Indemnities from any claim, demand, damage, liability, loss, cost or expense, including but not limited to death or injury to any person and injury to any property ("claims"), arising out of, pertaining to, or relating to CONSULTANT's performance of this Agreement. CONSULTANT shall defend Indemnities in any action or actions filed in connection with any such claims with counsel of Indemnities' choice, and shall pay all costs and expenses, including actual attorney's fees, incurred in connection with such defense.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONSULTANT, CONSULTANT shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the services required by this Agreement. CONSULTANT shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONSULTANT with all pertinent data, documents, and other requested information as is available for the proper performance of CONSULTANT's Scope of Work.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONSULTANT and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Changes in the Scope of Work. The CITY shall have the right to order, in writing, changes in the scope of work or the services to be performed. Any changes in the scope of work requested by CONSULTANT must be made in writing and approved by both parties.

Section 17. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 18. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 19. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONSULTANT, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONSULTANT.

Section 20. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 21. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 22. City Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONSULTANT.

Section 23. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the _____ day of _____ 20____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

JIMMY DELSHAD
Mayor of the City of Beverly Hills, California

[Signatures continue]

CONSULTANT:
STEGEMAN & KASTNER, INC.

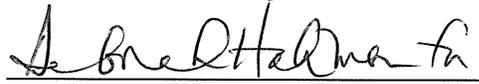


FRITZ W. KASTNER
Chief Executive Officer



RANDALL FULTON
Treasurer

APPROVED AS TO FORM



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT

JEFFREY KOLIN
City Manager



SCOTT G. MILLER
Director of Administrative Services/Chief
Financial Officer



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK

CONSULTANT shall perform the following services:

PRE-DESIGN PHASE

Existing Conditions: CONSULTANT shall serve as liaison between CITY and CITY's potential tenants ("Tenants") to integrate the 331 Foothill building architectural, structural, MEP scope of work and Tenant's designs (the "Project").

CONSULTANT will assist CITY and Tenants in evaluating existing conditions.

Scope Modifications to Shell & Core ("S&C"): Evaluate potential changes to the S&C as proposed by CITY or Tenants and advise City and Tenants of cost and schedule impacts.

Coordinate work with CITY's architect, Ehrlich, and general contractor, Bayley ("Design Team") in implementing Tenants' desired scope changes.

CONSULTANT will advise CITY and Tenants of S&C construction schedule on a regular basis. Advise CITY of schedule opportunities for implementing approved Tenant changes.

CONSULTANT will review and evaluate Tenants' changes to S&C and advise CITY of feasibility and construction impacts

Program Evaluation: CONSULTANT will assist CITY and Tenants' consultants such as engineers and architects engaged by Tenants to perform work on Tenants' design ("CITY/Tenant consultants") in the evaluation, development and revision as necessary of CITY's plans for building construction and Tenants' design goals.

Criteria Development: In consultation with CITY and CITY/Tenants' consultants, CONSULTANT will assist in developing technical criteria for incorporation into the Project design.

Programmer Selection (if required): With CITY's participation and approval, CONSULTANT shall select architect and negotiate an agreement. CONSULTANT shall oversee implementation of Tenants' approved designs by architect.

General Assistance: CONSULTANT will be available to provide to CITY any and all program management services CITY requires.

DESIGN PHASE

Process Management: Review Tenants' objectives and assist in controlling Tenants' architectural and engineering design goals throughout the design process.

Team Direction: In conjunction with CITY, CONSULTANT will, manage and oversee the activities of the CITY/Tenants' consultants and direct them toward CITY's project goals. With the prior written consent of CITY, CONSULTANT will issue and implement authorizations and directives to the CITY/Tenants' consultants.

Review of Conceptual Design: In conjunction with CITY, CONSULTANT will review, concept drawings prepared by Tenants architects and engineers (“A&E Team”), provide comments and assist CITY in determining that CITY’s objectives are met by the design prior to CITY’s approval.

Review of Schematic Design: In conjunction with CITY, CONSULTANT will review schematic design drawings prepared by the A&E Team, provide comments and analysis of design features and determine whether the schematic design is a consistent and logical evolution of the approved design concept prior to CITY’s approval.

Review of Design Development: In conjunction with CITY, CONSULTANT will review development of CITY and Tenants’ proposed design, provide comments and analysis of design and building system features, code compliance, and materials proposed, evaluate the design package for budget and schedule impact, and provide value engineering input prior to CITY’s acceptance and approval.

Review of Construction Documents: CONSULTANT will review the construction documents with the architect and engineers, obtain CITY’s written approval as required and review the drawings for completeness. CONSULTANT will also review the proposed materials, coordination with the building systems, design loads and engineering assumptions and proposed methods of construction for compliance with CITY’s budget, schedules goals and objectives and for consistency with desired levels of construction finishes and sound construction practice.

Contract Administration: CONSULTANT will monitor the performance of all Project participants under the various contracts and review and recommend for approval all billings in connection with them. CONSULTANT will review and negotiate requests for extra service authorizations and make the appropriate recommendations for approval or disapproval to CITY.

Project Schedule: CONSULTANT will, together with the Architect and CITY, develop a Project Master Schedule in coordination with Project goals. This schedule will reflect not only the activities of the architect and the general contractor, but also CITY’s review and approval time requirements, public approvals, and any other pertinent time frames.

Project Budget: CONSULTANT will review the Project budget proposed by CITY and will refine the information to reflect direct and indirect costs, furniture, fixtures and equipment (“FF&E”), Tenants’ direct purchases, and appropriate contingencies relative to the direct (construction) budget, ascertain that it reflects the cost of CITY’s special requirements of the tenant improvement such as, electrical and mechanical upgrades, and the appropriate level of cost for the intended level of quality and finish of the interior improvements; CONSULTANT will establish allowances, qualifications, and exclusion from this budget and confirm the appropriateness of the construction contingency included in the budget vis-à-vis the amount of information contained in the Project documents. CONSULTANT will periodically update this budget to reflect CITY’s requirements.

Design Meetings: CONSULTANT will interface with the architect and the engineers through design meetings where CONSULTANT will participate in order to gain a thorough understanding of the construction means, methods and materials proposed for this pProject. CONSULTANT will focus on constructability aspects of the design and make recommendations for potential alternates.

Tenants Meetings: CONSULTANT will meet regularly with CITY and Tenants to discuss progress of the design and to review contract, schedule, budget and construction issues. CONSULTANT will advise and make recommendations to CITY relating to CITY's direction of the design effort.

Value Engineering: Throughout the development of the architectural and engineering design for CITY's Project, CONSULTANT will conduct value engineering analysis to confirm that the proposed solutions meet the quality standards for the Project and result in the most effective expenditure of construction funds.

CONSTRUCTION PHASE

Competitive Bid General Contractors: CONSULTANT will conduct a general contractor selection process and oversee the conduct of the competitive bidding process, if needed. CONSULTANT will participate in the development of bid instruction and together with the architect conduct a pre-bid conference.

CONSULTANT will manage the response to bidders questions and review addenda to the bid documents prior to release to bidders.

CONSULTANT will participate in the review of bids received and tabulate bid results.

CONSULTANT will participate in the pre-award review with the low bidder and the finalization of the general contract.

General Contractor Procedures: CONSULTANT will review General Contractor's proposed Project documentation and procedures together with the scheduling of Tenants improvement construction work, as well as preconstruction schedules relating to product submittals, shop drawing preparation and review, purchasing and deliveries, and the confirmation of timely availability of alternative products. CONSULTANT will assist in coordination of this contract and the overall construction schedule.

Change Order Control: CONSULTANT will review requests for changes, whether requested by CITY, architect, general contractor or subcontractors. CONSULTANT will review the breakdown submitted using the architect, engineers and other general contractors or subcontractors to check prices as necessary. CONSULTANT will negotiate with the general contractor, have the architect finalize and conform the drawings, and CONSULTANT will write the final Change Order for CITY approval.

Cost Report: CONSULTANT will prepare a monthly Cost Report for direct and indirect construction cost expenditures reflecting committed costs (base contracts plus Change Orders), pending Change Orders, anticipated Change Orders, and cost to complete. If desired, CONSULTANT can report on items tracked internally by CITY, such as indirect costs, FF&E costs, other direct purchases, and contingencies.

Pay Requests: CONSULTANT will review general contractor's requests for progress payments and Architect's Certifications issued in connection therewith, determine dollar value of progress, and advise CITY that all sums are due pursuant to the applicable contracts and/or purchase orders.

Construction Meetings: CONSULTANT will conduct weekly meetings with the general contractor, architect, and CITY to review construction progress, request for information (RFIs), and review schedules, requested and/or pending changes, and any other current construction issues to assure orderly progress of information and decisions.

Field Observations: CONSULTANT will make periodic field observations advising CITY as to the adherence to schedule, quality control, plans and specifications.

All required inspections shall be made by registered deputy inspectors, as mandated by applicable laws and governmental regulations.

Final Acceptance: CONSULTANT will establish procedures acceptable to CITY to be followed by the Contractors, CITY and the Architect in connection with the inspection and acceptance of installations and systems of the Project in order to facilitate CITY's acceptance.

Project Close Out: CONSULTANT will, with the assistance of CITY, perform a final visual acceptance review of construction work, review the general contractor's implementation of architect's punch list of corrective work and request the architect to make his/her final inspection and certification when and where appropriate. CONSULTANT will also monitor general contractor's close-out of all contracts, including settlement of claims, receipt of all final lien releases, and final payments. CONSULTANT will also monitor the production of as-built drawings (as required), and the preparation of Project manuals, including all operating instructions and warranties.

Coordination: CONSULTANT will assist in coordinating the work of all professional firms and agencies for the project to minimize interference with the construction progress.

General Assistance: CONSULTANT will generally be available to CITY to review and recommend solutions to construction or related problems that arise.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

RATES:	Hourly:
Principal	\$216.00
Project Executive	\$196.00
Senior Project Manager	\$180.00
Project Manager	\$170.00
Assistant Project Manager	\$150.00
Senior Project Engineer	\$105.00
Project Engineer	\$ 98.00

Reimbursable Expense Rates:

Photocopy/Reproduction Rate	\$.10/ per page
Mileage, adjusted to I.R.S. standard rate, currently:	\$.585 / mile
Parking	Cost
Messenger & Delivery Services	Cost + 10%
Travel: Airfare, Hotel, Cab Fares, Rental Car	Cost
Subcontracts	Cost + business tax

EXHIBIT C

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below :

NAMED INSURED

COMPANIES AFFORDING COVERAGE

ADDRESS

- A.
- B.
- C.

COMPANY (A.B.C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKER'S COMPENSATION					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE : _____ BY : _____

 Authorized Insurance Representative
 TITLE : _____
 AGENCY : _____ Address : _____

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MATRIX
IMAGING PRODUCTS, INC. TO PROVIDE DOCUMENT CONVERSION
SERVICES

NAME OF CONSULTANT:	Matrix Imaging Products, Inc.
RESPONSIBLE PRINCIPAL OF CONSULTANT:	J.W. Linhart, President and Chief Executive Officer
CONSULTANT'S ADDRESS:	3151 Airway Avenue, Suite H-1 Costa Mesa, California 92626-4624 Attention: J.W. Linhart, President and Chief Executive Officer
CITY'S ADDRESS:	City of Beverly Hills 455 N. Rexford Drive Beverly Hills, California 90210 Attention: David Schirmer, Chief Information Officer
COMMENCEMENT DATE:	Upon Notice to Proceed
TERMINATION DATE:	June 30, 2011
CONSIDERATION:	Not to exceed \$ 150,000.00

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MATRIX IMAGING PRODUCTS, INC. TO PROVIDE DOCUMENT CONVERSION SERVICES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Matrix Imaging Products, Inc. (hereinafter called "CONSULTANT").

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONSULTANT represents that it is qualified and able to perform the Scope of Works.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSULTANT's Scope of Work. CONSULTANT shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. City shall have the right to order, in writing, changes in the Scope of Work. Any changes in the Scope of Work by CONSULTANT must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section 2. Time of Performance.

CONSULTANT shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY. CONSULTANT shall complete the performance of services by the Termination Date set forth above and/or in conformance with the project timeline established by the City Manager or his designee.

Section 3. Compensation.

(a) Compensation

CITY agrees to compensate CONSULTANT for the services and/or goods provides under this Agreement, and CONSULTANT agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein, based on the hourly rates set forth in Exhibit B.

(b) Expenses

(c) Additional Services. City may from time to time require CONSULTANT to perform additional services not included in the Scope of Services. Such requests for additional services shall be made by City in writing and agreed upon by both parties in writing.

Section 4. Method of Payment. Unless otherwise provided for herein, CONSULTANT shall submit to City a detailed invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within 30 days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall pay CONSULTANT said Consideration in accordance with the schedule of payment set forth in Exhibit B, attached hereto and incorporated herein.

Section 5. Independent Consultant. CONSULTANT is and shall at all times remain, as to CITY, a wholly independent consultant. Neither CITY nor any of its agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's employees, except as herein set forth. CONSULTANT shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONSULTANT without the prior written approval of CITY. Any attempt by CONSULTANT to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) CONSULTANT's Responsible Principal set forth above shall be principally responsible for CONSULTANT's obligations under this Agreement and shall serve as principal liaison between CITY and CONSULTANT. Designation of another Responsible by CONSULTANT shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. CONSULTANT represents that it has, or shall secure at its own expense, all personnel required to perform CONSULTANT's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Confidentiality and Nondisclosure.

(a) CITY may provide CONSULTANT with certain information, and/or access to certain information including public safety information (the "Confidential Information"), which was or will be obtained by CITY pursuant to a license agreement with a third party, or which is the proprietary information of the City of Beverly Hills, or which is not publicly known.

(b) CONSULTANT, its employees, agents, and representatives shall hold the Information private and confidential, and shall not: (a) use the Confidential Information, nor cause the Confidential Information to be used for any purpose other than in performance of its

duties to CITY, (b) participate in the wrongful use, illegal use, or unauthorized disclosure of the Confidential Information, or (c) sell, release, free trade, assign, or provide access to the Information, directly or indirectly, to third parties. This provision survives termination of CONSULTANT's duties to CITY.

(c) CONSULTANT shall ensure that all of CONSULTANT's employees, contractors and subcontractors who are provided access to or who otherwise gain access to the Information are advised of the confidential and proprietary nature of the Information, and that they shall not sell: (a) use the Confidential Information, nor cause the Confidential Information to be used for any purpose other than in performance of its duties to the CITY, (b) participate in the wrongful use, illegal use, or unauthorized disclosure of the Confidential Information, or (c) sell, release, free trade, assign, or provide access to the Confidential Information, directly or indirectly, to third parties. This provision survives termination of CONSULTANT's duties to CITY.

(d) Upon termination of its duties to CITY, CONSULTANT shall destroy the media containing the Confidential Information, or if requested by CITY, immediately return all copies of media containing the Confidential Information.

(e) Where either party, its employees, agents, and/or representatives breach or otherwise violate any term, covenant, or condition within this Agreement, the aggrieved party shall be entitled to: (1) both preliminary and final injunctive relief without the need for a showing of actual or irreparable injury, (2) all other remedies available at law or equity, and (3) reasonable attorneys' fees and reasonable costs incurred through enforcement of this Agreement.

Section 10. Interests of CONSULTANT. CONSULTANT affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONSULTANT.

Section 11. Insurance.

(a) CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONSULTANT.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by CONSULTANT in performing the Scope of Work required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(b) CONSULTANT shall require each of its sub-consultants to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONSULTANT's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONSULTANT shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONSULTANT shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general and auto liability insurance shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONSULTANT shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation. CONSULTANT hereby waives the right to subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONSULTANT agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT or any person employed by CONSULTANT in the performance of this Agreement.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONSULTANT, CONSULTANT shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the services required by this Agreement. CONSULTANT shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONSULTANT with all pertinent data, documents, and other requested information as is available for the proper performance of CONSULTANT's Scope of Work.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONSULTANT and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Changes in the Scope of Work. The CITY shall have the right to order, in writing, changes in the scope of work or the services to be performed. Any changes in the scope of work requested by CONSULTANT must be made in writing and approved by both parties.

Section 17. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 18. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 19. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONSULTANT, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONSULTANT.

Section 20. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 21. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 22. City Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONSULTANT.

Section 23. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the _____ day of _____ 2010, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

JIMMY DELSHAD
Mayor of the City of
Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

(SEAL)

CONSULTANT:
MATRIX IMAGING PRODUCTS, INC.

J. W. LINHART
President & CEO

Becky Horn
Vice President and Treasurer

APPROVED AS TO FORM

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT

JEFFREY KOLIN
City Manager

DAVID SCHIRMER
Chief Information Officer

KARL KIRKMAN
Risk Manager

EXHIBIT A
SCOPE OF SERVICES

CONSULTANT'S RESPONSIBILITIES:

Consultant shall provide City with document conversion services related to the City's document and records management system (the "System"). Specifically, Consultant's duties shall be required for each of the following departments / divisions:

- Police Department - Records
- Public Works Department – Engineering
- Community Service Department - Administration
- Community Development - Planning

Consultant's duties related to services to be delivered to the above named these departments, divisions, and offices shall include:

- Providing all necessary project management, equipment, and labor to complete the scan, release, and quality control tasks related to converting the City's paper records into the Documentum electronic records system
- Ensuring that each department, division, and office identified above has a static and working application
- Provide all document delivery, preparation services, and post preparation services as requested by the City
- Ensuring that the documents input into the System are properly OCR'd, text searchable and indexed as identified by City, subject to the condition of the original documents
- Any additional services deemed necessary by Consultant to effectuate its duties under this Agreement

TASK 1 - PROJECT MANAGEMENT

Consultant shall provide a Project Manager to ensure a successful implementation. The responsibilities of Consultant's Project Manager shall include but are not limited to the following:

- (a) Serve as liaison between City representatives and Consultant;
- (b) Schedule and conduct conference calls and meetings with key City representatives as needed;
- (c) Ensure implementation schedule is maintained and accurate, including completion of all tasks and deliverables;
- (d) Provide all necessary documentation;

- (e) Manage Consultant's technical personnel and ensures uninterrupted service delivery to the City;
- (f) Resolve any conflicts during the course of the project; and
- (g) Provide weekly status reports to City staff.

Task 1 - Deliverables:

Weekly Status Reports: Consultant shall provide City with weekly Status Reports detailing the progress of the project, work completed, and milestones reached.

TASK 2 – FINALIZING EACH DEPARTMENT, DIVISION & OFFICE APPLICATION

The purpose of this Task is to create applications for departments as directed by the City and to update and finalize each application where necessary. Consultant shall provide at least one (1) technical staff member to perform onsite services until each application is complete:

- (a) Application Set-up, Updates & Finalization: As directed by City, Consultant shall perform application setup, updates and finalization of applications for each department, division as necessary.
- (b) Additional Reviews, Configuration & Customizations by Consultant: As directed by City, Consultant shall perform administrative and technical review of all System components, including installation of the client, password set up and permissions, review of the systems, equipment, and parts inventory applet as well as integrating Documentum with City's Active Directory for synchronization of user login information.

Task 2 - Deliverables:

As-Built Design Document: Consultant shall provide City with documentation noting successful installation, configuration and connectivity of all the hardware and software. This shall include an as-built design drawing (Visio) of all hardware and software, including interconnectivity of each component.

TASK 3 – DOCUMENT MIGRATION, CONVERSION & INDEXING

The purpose of this Task is to identify the documents that will be converted and included in the System. Consultant shall complete capture and indexing of the identified below for each office, department and division. This task shall include, but is not limited to:

- (a) Preparation and scanning of letter-size, legal-size, large format and odd-size documents
- (b) Index using identifiers agreed upon for each City department / division
- (c) OCR / Full-Text Search where applicable

Task 3 - Deliverables:

Proof of Conversion of Identified Documents on a Department, Division and Office Basis:
Consultant shall provide City with documentation noting configuration of each application, the number of images uploaded per department, division and office, and proof of usability (e.g., wrap meeting with the department, division or office), in a mutually agreeable form. This may include random testing to ensure that each application's documents have been successfully uploaded into the System and are readily retrievable.

TASK 5 – ACCEPTANCE

City shall issue acceptance provided that each department, division identified above has a complete and working application, and that the number of images identified by the City have been completed above, per location, has been successfully uploaded and is properly retrievable from the System. Such acceptance shall not be unreasonably withheld.

TASK 6 – CERTIFICATE OF COMPLETION

Upon completion of all aspects of this project, including all training and fine-tuning of the System, Consultant shall issue a Certificate of Completion to City.

ADDITIONAL SERVICES:

As directed by the City, Consultant shall provide document pre-preparation and post-preparation as necessary to separate documents for conversion, and to return the documents identified for conversion to their original file compositions (i.e., removing staples, removing paper clips, removing pages from binders, re-stapling, re-binding, re-filing materials upon completion of document conversion). Rates for these services are outlined in Exhibit B.

**EXHIBIT B
SCHEDULE OF PAYMENT AND RATES**

For all the tasks set forth in Exhibit A, City shall pay Consultant compensation at the following rate:

Document Conversion / Prepping - Pricing Chart

Item	Description	Unit Price
<i>Document Preparation – Per Image</i>		
1	Low Level – documents in good condition, minimal staples and repair	\$0.012
2	Medium Level – Mixed documents, heavy staples	\$0.024
3	High Level – requires reorganizing, resorting documents, and high levels of preparation	\$0.036
<i>Document Identification, Scan, and Index – Per Image</i>		
4	Easy – No inserting pages, easily identifying index values, 1-2 fields manual indexing	\$0.07
5	Average – Inserting separator pages, easily identifying index values, 3 fields of manual indexing	\$0.09
6	Difficult – Inserting separator pages, identifying document types, and 3+ fields of manual indexing	\$0.11
<i>Document Re-Assembling (Post scan) – Per Image</i>		
7	Low Level – no re-stapling, no re-rubber banding, placing back in folders only	\$0.012
8	Medium Level – Re-sapling, re-rubber banding, and placing back in folders	\$0.024
9	High Level – Re-stapling, re-rubber band, placing back in folders, placing back in echo binder	\$0.036
<i>C, D, and E Size Engineering Drawings – Per Drawing</i>		
10	Slides	\$0.50
11	Rolled Drawings – includes pre and post prep, document identification, scan, and index	\$0.90
12	Folded Drawings – includes pre and post prep, document identification, scan, and index	\$1.20

The total sum of Consideration shall not exceed the amount of One Hundred and Fifty Thousand Dollars (\$150,000), as set forth in the purchase order issued by City for all services and/or goods to be provided pursuant to this Agreement. Said Compensation shall constitute reimbursement of Consultant's fee for the services as well as the actual cost of any equipment, materials and supplies necessary to provide the services (including labor, materials, delivery, tax, assembly and installation, as applicable).

Consultant shall submit an itemized statement to City for its services performed, which shall include documentation setting forth in detail a description of the services rendered and expenses incurred. City shall pay Consultant the amount of all undisputed billing within thirty days of receipt of the same.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/19/2010

PRODUCER (714) 997-3158
Dunlap Insurance
1509 E. Chapman Ave.

Orange CA 92866

INSURED
Matrix Imaging Products, Inc.
3151 Airway Ave., Suite #H-1

Costa Mesa CA 92626

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Hartford Acc. & Indem Co.	22357
INSURER B:	Hartford Ins Co. of MW	37478
INSURER C:	Hartford Acc. & Indem Co.	22357
INSURER D:	Tudor Insurance Co.	37982
INSURER E:		

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	72SBAUV3134	06/12/2009	06/12/2010	EACH OCCURRENCE	\$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
						MED EXP (Any one person)	\$ 10,000
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
C	X	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	57SBAUY2027	06/24/2009	06/24/2010	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN EA ACC AGG	\$
A	X	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$	72UECKR1908	06/12/2009	06/12/2010	EACH OCCURRENCE	\$ 4,000,000
						AGGREGATE	\$ 4,000,000
							\$
							\$
							\$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	72WECLS3870	12/01/2009	12/01/2010	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
						E.L. EACH ACCIDENT	\$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
A		OTHER BUSINESS PERSONAL PROPERTY	72SBAUV3134	06/12/2009	06/12/2010	SPECIAL FORM	105,500
D		PROFESS. LIABILITY	EDP0004227	07/07/2009	07/07/2010	BUSINESS INCOME (ALS)	850,000
							1,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENTS/SPECIAL PROVISIONS
CITY OF BEVERLY HILLS ADDED AS ADDITIONAL INSURED FOR GENERAL LIABILITY AND AUTO LIABILITY.

CERTIFICATE HOLDER

() - (310) 246-1567
NICOLE MCCLINTON

CITY OF BEVERLY HILLS
455 NORTH REXFORD DRIVE

BEVERLY HILLS CA 90210-

CANCELLATION

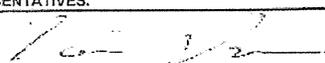
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL CA DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
AUTHORIZED REPRESENTATIVE 

EXHIBIT C

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below :

NAMED INSURED

COMPANIES AFFORDING COVERAGE

ADDRESS

- A.
- B.
- C.

COMPANY (A.B.C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONSULTANT'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKER'S COMPENSATION					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Consultant agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of consultant's officers, employees, agents or others employed by Consultant while engaged by Consultant in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE : _____ BY : _____

 Authorized Insurance Representative
 TITLE : _____
 AGENCY : _____ Address : _____