

## CITY OF YORBA LINDA

### PROFESSIONAL SERVICES AGREEMENT

#### DMC Document and Microfilm Conversion

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and effective this 19th day of September, 2023 (“Effective Date”) by and between the CITY OF YORBA LINDA, a California municipal corporation, (“City”) and Debi McCluskey Companies, DBA; DMC Document and Microfilm Conversion, a California Corporation (“Consultant”). City and Consultant may sometimes herein be referred to individually as a “Party” and collectively as the “Parties.”

#### SECTION 1. SERVICES.

Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Services, attached hereto as Exhibit A and incorporated herein by this reference (the “Services”). Consultant will perform subsequent task orders as requested by the Contract Administrator (as defined below), in accordance with the Scope of Services. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

1.1 Term of Services. The term of this Agreement shall begin on September 19, 2023 and shall end on September 19, 2024 unless the term of this Agreement is otherwise terminated or extended as provided for in Section 8. The time provided to Consultant to complete the Services required by this Agreement shall not affect City’s right to terminate this Agreement, as provided for in Section 8.

1.2 Standard of Performance. Consultant represents and warrants that Consultant is a provider of first class work and services and Consultant is experienced in performing the Services contemplated herein and, in light of such status and experience, Consultant shall perform the Services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession and to the sole satisfaction of the Contract Administrator.

1.3 Assignment of Personnel. Consultant shall assign only competent personnel to perform the Services pursuant to Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.4 Time. Consultant shall devote such time to the performance of the Services pursuant to this Agreement as may be reasonably necessary to satisfy Consultant’s obligations hereunder.

1.5 Authorization to Perform Services. Consultant is not authorized to perform any of the Services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

1.6 Warranty. By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the Services, (ii) has carefully considered how the Services should be performed, and (iii) fully understands the facilities, difficulties, and restrictions attending performance of the Services.

## **SECTION 2. COMPENSATION.**

City hereby agrees to pay Consultant a sum not to exceed one hundred twenty thousand dollars and no cents (\$120,000.00) notwithstanding any contrary indications that may be contained in Consultant's proposal, for the Services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Exhibit A, regarding the amount of compensation, this Agreement shall prevail. City shall pay Consultant for the Services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for the Services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized in advance by City, Consultant shall not bill City for duplicate services performed by more than one person.

2.1 Invoices. Consultant shall submit invoices monthly during the term of this Agreement, based on the cost for the Services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- a. Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- b. The beginning and ending dates of the billing period;
- c. A "Task Summary" containing the original contract amount, the amount of prior billings, the total due this period, the balance available under this Agreement, and the percentage of completion;
- d. At City's option, for each item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person performing the Services, the hours spent by each person, a brief description of the Services, and each reimbursable expense;
- e. The total number of hours of work performed under this Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing the Services hereunder necessary to complete the Services described in Exhibit A;
- f. Receipts for expenses to be reimbursed;
- g. The Consultant Representative's signature.

Invoices shall be submitted to:

City of Yorba Linda  
Attn: Accounts Payable  
4845 Casa Loma Ave  
Yorba Linda, CA 92886

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for the Services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 Retention of Funds, Final Payment. Consultant hereby authorizes City to retain and deduct from any amount payable to Consultant not exceeding five percent (5%) of the total compensation. The retained funds shall be paid to Consultant within sixty (60) days after final acceptance of the Services by the City and after Consultant has furnished City with full release of all undisputed payments under this Agreement. In the event there are any claims specifically excluded by Consultant from the operation of the release, City may retain proceeds of up to one hundred fifty percent (150%) of the amount in dispute. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of Consultant to insure, indemnify, and protect City as provided in this Agreement. City shall pay the last five percent (5%) of the total amount due pursuant to this Agreement within sixty (60) days after completion of the Services and submittal to City of a final invoice, if all of the Services required have been satisfactorily performed.

2.4 Total Payment. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering the Services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entirety of the Services performed pursuant to this Agreement, unless this Agreement is modified in writing prior to the submission of such an invoice.

2.5 Hourly Fees. Fees for the Services performed by Consultant on an hourly basis shall not exceed the amounts shown on the fee schedule included with Exhibit A.

2.6 Reimbursable Expenses. Reimbursable expenses are included within the maximum amount of this Agreement.

2.7 Payment of Taxes. Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any federal or state taxes.

2.8 Payment upon Termination. In the event that City or Consultant terminates this Agreement pursuant to Section 8, City shall compensate Consultant for all outstanding costs and reimbursable expenses incurred for Services satisfactorily completed and for reimbursable expenses as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs and reimbursable expenses incurred to that date.

### **SECTION 3. FACILITIES AND EQUIPMENT.**

Except as otherwise provided, Consultant shall, at its sole cost and expense, provide all facilities and equipment necessary to perform the services required by this Agreement. City shall make available to Consultant only physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be required to furnish any facility or equipment that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

### **SECTION 4. INSURANCE REQUIREMENTS.**

Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and provide certificates of insurance, indicating that Consultant has obtained or currently maintains insurance that meets the requirements of this Section and which is satisfactory, in all respects, to City. Consultant shall maintain the insurance policies required by this Section throughout the term of this Agreement. The cost of such insurance shall be included in Consultant's compensation. Consultant shall not allow any subcontractor, consultant or other agent to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Consultant acknowledges the insurance policy must cover inter-insured suits between City and other insureds. Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant activities or the activities of any person or persons for which Consultant is otherwise responsible nor shall it limit Consultant's indemnification liabilities as provided in Section 5.

4.1 Workers' Compensation. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant pursuant to the provisions of the California Labor Code. Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident, ONE MILLION DOLLARS (\$1,000,000.00) disease per employee, and ONE MILLION DOLLARS (\$1,000,000.00) disease per policy. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against City and its officers, officials, employees, and authorized volunteers for loss arising from the Services performed under this Agreement.

#### 4.2 Commercial General and Automobile Liability Insurance.

a. General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage, for risks associated with the Services contemplated by this Agreement, TWO MILLION DOLLARS (\$2,000,000.00) general aggregate, and TWO MILLION DOLLARS (\$2,000,000.00) products/completed operations aggregate. If a Commercial General Liability Insurance or an Automobile Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the Services to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from the Services contemplated under this Agreement, including the use of hired, owned, and non-owned automobiles.

b. Minimum Scope of Coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 Code 2, 8, and 9. No endorsement shall be attached limiting the coverage.

c. Additional Requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

(i) The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

(ii) Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

#### 4.3 Professional Liability Insurance.

a. General Requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing the Services pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall be shown on the Certificate. If the deductible or self-insured retention exceeds TWENTY-FIVE THOUSAND DOLLARS (\$25,000), it must be approved in writing by City.

b. Claims-Made Limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

(i) The retroactive date of the policy must be shown and must be no later than the commencement of the Services.

(ii) Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after the expiration or termination of this Agreement or completion of the Services, so long as commercially available at reasonable rates.

(iii) If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the Effective Date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five (5) years after the expiration or termination of this Agreement or the completion of the Services. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the Services under this Agreement. City shall have the right to exercise, at Consultant's sole cost and expense, any extended reporting provisions of the policy, if Consultant cancels or does not renew the coverage.

(iv) A copy of the claim reporting requirements must be submitted to City prior to the commencement of the Services under this Agreement.

#### 4.4 All Policies Requirements.

a. Acceptability of Insurers. All insurance required by this Section is to be placed with insurers with a Bests' rating of no less than A:VII and admitted in California.

b. Verification of Coverage. Prior to beginning the Services under this Agreement, Consultant shall furnish City with certificates of insurance, additional insured endorsement or policy language granting additional insured status complete certified copies of all policies, including complete certified copies of all endorsements. All copies of policies and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. The certificate of insurance must include the following reference: «Contract Title». The name and address for additional insured endorsements, certificates of insurance and notice of cancellation is: City of Yorba Linda, 4845 Casa Loma Ave, Yorba Linda, CA 92886. City must be endorsed as an additional insured for liability arising out of ongoing and completed operations by or on behalf of Consultant.

c. Notice of Reduction in or Cancellation of Coverage. Consultant shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self insured retention is increased. In the event any of said policies of insurance are cancelled, Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 4 to the Contract Administrator.

d. Additional Insured; Primary Insurance. City and its officers, employees, agents, and authorized volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of the Services performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant, as applicable; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by Consultant in the course of providing the Services pursuant to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded

to City or its officers, employees, agents, or authorized volunteers. The insurance provided to City as an additional insured must apply on a primary and non-contributory basis with respect to any insurance or self-insurance program maintained by City. Additional insured status shall continue for one (1) year after the expiration or termination of this Agreement or completion of the Services.

A certified endorsement must be attached to all policies stating that coverage is primary insurance with respect to City and its officers, officials, employees, and volunteers, and that no insurance or self-insurance maintained by City shall be called upon to contribute to a loss under the coverage.

e. Deductibles and Self-Insured Retentions. Consultant shall obtain the written approval of City for the self-insured retentions and deductibles before beginning any of the Services.

During the term of this Agreement, only upon the prior express written authorization of the Contract Administrator, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

f. Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

g. Variation. The Contract Administrator may, but is not required to, approve in writing a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that City's interests are otherwise fully protected.

4.5 Remedies. In addition to any other remedies at law or equity City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option, exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement;

b. Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or

c. Terminate this Agreement.

## **SECTION 5. INDEMNIFICATION.**

5.1 Indemnification for Professional Liability. Where the law establishes a professional standard of care for performance of the Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, officials, volunteers, and agents from and against any and all claims, losses, costs, damages, expenses, liabilities, liens, actions, causes of action (whether in tort, contract, under statute, at law, in equity, or otherwise) charges, awards, assessments, fines, or penalties of any kind (including reasonable consultant and expert fees and expenses of investigation, costs of whatever kind and nature and, if Consultant fails to provide a defense for City, the legal costs of counsel retained by City) and any judgment (collectively, “Claims”) to the extent same are caused in whole or in part by any negligent or wrongful act, error, or omission of Consultant, its officers, agents, employees, or subcontractors (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

5.2 Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, protect, defend (with counsel selected by City), and hold harmless City, and any and all of its officers, employees, officials, volunteers, and agents from and against any and all Claims, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

5.3 Limitation of Indemnification for Design Professionals. Notwithstanding any provision of this Section 5 to the contrary, design professionals, as that term is defined in Civil Code Section 2782.8, are required to defend and indemnify City only to the extent permitted by Civil Code Section 2782.8. The term “design professional” as defined in Section 2782.8, is limited to licensed architects, licensed landscape architects, registered professional engineers, professional land surveyors, and the business entities that offer such services in accordance with the applicable provisions of the California Business and Professions Code. This Subsection 5.3 shall only apply to Consultant if Consultant is a “design professional” as that term is defined in Civil Code Section 2782.8.

5.4 Limitation of Indemnification. The provisions of this Section 5 do not apply to claims occurring as a result of City’s sole or active negligence. The provisions of this Section 5 shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officers, officials, employees, and agents acting in an official capacity.

## **SECTION 6. INDEPENDENT CONTRACTOR.**

At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of the Services rendered pursuant to this Agreement and assignment of personnel pursuant to Subsection 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes the Services rendered pursuant to this Agreement.



The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall not at any time or in any manner represent that it is or any of its officers, employees, or agents are in any manner officers, officials, employees, or agents of City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner. Except for the fees paid to Consultant as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

## **SECTION 7. LEGAL REQUIREMENTS.**

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. Consultant and any subcontractor shall comply with all applicable local, state, and federal laws and regulations applicable to the performance of the work hereunder. Consultant shall not hire or employ any person to perform work within City or allow any person to perform the Services required under this Agreement unless such person is properly documented and legally entitled to be employed within the United States. Consultant acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Consultant shall require the same of all subcontractors.

7.3 Prevailing Wages. Consultant acknowledges and agrees that it shall be independently responsible for reviewing the applicable prevailing wage laws and regulations and effectuating compliance with such laws, including, but not limited to the prevailing wage and related requirements set forth in this Subsection 7.3. Consultant shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

a. Public Work. Consultant hereby expressly acknowledges and agrees that City has never previously affirmatively represented to Consultant, its employees or agents in writing or otherwise that the Services are not a "public work," as defined in Section 1720 of the Labor Code. It is agreed by the Parties that, in connection with the development, construction (as defined by applicable law) and operation of the Services, including, without limitation, any public work (as defined by applicable law), if any, Consultant shall bear all risks of payment or non-payment of state and/or federal prevailing wages and/or the implementation of Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time, and/or any other provision of law. To the extent applicable, City will enforce all penalties required by law for Consultant's failure to pay prevailing wages.

b. Labor Code of California. The Consultant's attention is directed to Division 2, Part 7, Chapter 1 of the Labor Code of the State of California and especially to Article 2 (Wages); and Article 3 (Working Hours), thereof.

(i) In accordance with Sections 1773 and 1773.2 of the Labor Code, City has found and determined the general prevailing rates of wages in the locality in which the public work is to be performed are those determined by the Director of Industrial Relations and available at <https://www.dir.ca.gov/OPRL/2022-1/PWD/Southern.html>. Copies of the prevailing rates of wages are maintained with City's principal office and are available to any interested party on request. Consultant shall post a copy of the prevailing rate of per diem wages at each job site.

(ii) Consultant is aware of and will comply with the provisions of Labor Code Section 1776, including the keeping of payroll records and furnishing certified copies thereof in accordance with said Section. Pursuant to Labor Code Section 1771.4, Consultant must submit certified payroll records to the Labor Commissioner using the Department of Industrial Relations' electronic certified payroll reporting (eCPR) system.

(iii) Pursuant to Labor Code Section 1810, it is stipulated hereby that eight (8) hours labor constitutes a legal day's work hereunder.

(iv) Pursuant to Labor Code Section 1815, work performed by employees of contractors in excess of eight (8) hours per day, and 40 hours during any one week, shall be permitted upon public work upon compensation for all hours worked in excess of eight (8) hours per day at not less than 1 ½ times the basic rate of pay.

(v) Pursuant to Labor Code Section 1813, it is stipulated hereby that Consultant shall, as a penalty to City, forfeit twenty-five dollars (\$25) for each worker employed in the execution of this Agreement by Consultant or by any subcontractor hereunder for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one (1) calendar week in violation of the provisions of Article 3 (commencing with Section 1810), Chapter 1, Part 7, Division 2 of the Labor Code.

(vi) Consultant is aware of and will comply with the provisions of Labor Code Sections 1777.5 and 1777.6 with respect to the employment of apprentices. Pursuant to Section 1777.5 it is hereby stipulated that Consultant will be responsible for obtaining compliance therewith on the part of any and all sub-consultants or subcontractors employed by Consultant in connection with this Agreement.

(vii) Pursuant to Labor Code Section 1775, it is hereby stipulated that Consultant shall, as a penalty to City, forfeit not more than two-hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for the Services by Consultant or any sub-consultant or subcontractor.

c. Bidding Eligibility. Pursuant to Labor Code Section 1771.1, no contractor or subcontractor (or consultant or subconsultant) may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations.

d. DIR Monitoring. Pursuant to Labor Code Section 1771.4, Consultant is hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

e. Indemnification Related to Prevailing Wages. Section 5, Indemnification, specifically encompasses Claims arising from or related to (i) the noncompliance by Consultant or any party performing the Services of any applicable local, state, and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, the requirement to pay state prevailing wages and hire apprentices); (ii) the implementation of Labor Code Sections 1726 and 1781, as the same may be amended from time to time, or any other similar law; and/or (iii) failure by Consultant or any party performing the Services to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

7.4 Licenses and Permits, Fees and Assessments. Consultant represents, warrants, and covenants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions, and perform the Services. Consultant represents, warrants, and covenants to City that Consultant and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions, and perform the Services. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for Consultant's performance of the Services, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed, or imposed against City hereunder.

7.5 Conflicts of Interest, Political Reform Act. Consultant represents, warrants, and covenants that Consultant presently has no interest, direct or indirect, which would interfere with or impair in any manner or degree the performance of Consultant's obligations and responsibilities under this Agreement. Consultant further agrees that while this Agreement is in effect, Consultant shall not acquire or otherwise obtain any interest, direct or indirect, that would interfere with or impair in any manner or degree the performance of Consultant's obligations and responsibilities under this Agreement. Consultant acknowledges that pursuant to the provisions of the Political Reform Act (Government Code Section 87100 *et seq.*), City may determine the Consultant to be a "consultant" as that term is defined by 2 California Code of Regulations Section 18700.3. In the event City makes such a determination, Consultant agrees to complete and file a "Statement of Economic Interest" with the City Clerk to disclose such financial interests as required by City. In such event, Consultant further agrees to require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" to disclose such other person's financial interests as required by City.

7.6 Annual Appropriation of Funding. In accord with Article 16 Section 18 of the California Constitution, payment of compensation under this Agreement is contingent upon annual appropriation of funds by City for that purpose. Consultant acknowledges and agrees that to the

extent that the Services extend beyond one (1) fiscal year, payment for such Services is expressly conditioned on City's annual appropriation of funds for such Services for each year. If no funds are appropriated then this Agreement shall be terminated. City pledges and agrees to process such appropriation requests annually and in good faith. Nothing in this Subsection shall be construed to limit the right of either Party to terminate this Agreement as provided herein.

## **SECTION 8. TERMINATION AND MODIFICATION.**

8.1 Termination. City may cancel this Agreement at any time and without cause upon written notification to Consultant.

8.2 Termination by Consultant. Consultant may cancel this Agreement upon 30 days' written notice to City.

8.3 Consequences of Termination. In the event of termination, Consultant shall be entitled to compensation for the Services performed up to the date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or City in connection with this Agreement.

8.4 Extension. City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

8.5 Amendments. The Parties may amend this Agreement only by a writing signed by all the Parties.

8.6 Assignment and Subcontracting. City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in Consultant's proposal, without prior written approval of the Contract Administrator. In the event that key personnel leave Consultant's employ, Consultant shall notify City immediately.

8.7 Survival. All obligations arising prior to the expiration or termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the expiration or termination of this Agreement.

8.8 Options upon Breach by Consultant. If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, any or all of the following:

- a. Immediately terminate this Agreement;
- b. Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- c. Retain a different consultant to complete the Services described in Exhibit A; and/or
- d. Charge Consultant the difference between the cost to complete the Services described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the Services.

## **SECTION 9. KEEPING AND STATUS OF RECORDS.**

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of City. Consultant hereby agrees to deliver those documents to City upon the expiration or termination of this Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for City and are not necessarily suitable for any future or other use. Any use of such documents for other projects by City shall be without liability to Consultant. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports, and other documents are confidential and will not be released to third parties without prior written consent of both Parties unless required by law. Consultant understands and agrees that it may be required to provide documents to the City to be produced in response to a Public Records Act request.

9.2 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, rights of reproduction, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents and Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents and Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents and Data. Consultant makes no such representation and warranty in regard to Documents and Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

9.3 Consultant's Books and Records. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for the Services or expenditures and disbursements charged to City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible.

9.4 Inspection and Audit of Records. Any records or documents that Subsection 9.3 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

## **SECTION 10. MISCELLANEOUS PROVISIONS.**

10.1 Attorneys' Fees. If either Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and expenses including costs, in addition to any other relief to which that Party may be entitled; provided, however, that the attorneys' fees awarded pursuant to this Subsection shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing Party in the conduct of the litigation. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 Venue. In the event that either Party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in Orange County.

10.3 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

10.4 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

10.5 No Implied Waiver of Breach. Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing

and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

10.6 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

10.7 Consultant Representative. All matters under this Agreement shall be handled for Consultant by «Consultant\_Contact» (“Consultant’s Representative”). The Consultant’s Representative shall have full authority to represent and act on behalf of Consultant for all purposes under this Agreement. The Consultant’s Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

10.8 City Contract Administration. This Agreement shall be administered by a City employee, «Staff\_Contact», «Staff\_Title» (“Contract Administrator”). All correspondence shall be directed to or through the Contract Administrator or his designee. The Contract Administrator shall have the power to act on behalf of City for all purposes under this Agreement. Unless otherwise provided in this Agreement, Consultant shall not accept direction or orders from any person other than the Contract Administrator or his designee.

10.9 Notices. Any written notice to Consultant shall be sent to:

DMC – Document and Microfilm Conversion  
Attn: Mike McClusey  
1499 Pomona Road, Unit C  
Corona, CA 92882

Any written notice to City shall be sent to the Contract Administrator at:

City of Yorba Linda  
4845 Casa Loma Ave  
Yorba Linda, CA 92886  
Attn: Jim Sowers

with a copy to:

City Clerk  
City of Yorba Linda  
4845 Casa Loma Ave  
Yorba Linda, CA 92886

10.10 Professional Seal. Where applicable in the determination of the Contract Administrator, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled “Seal and Signature of Registered Professional with report/design responsibility,” as in the following example.

Seal and Signature of Registered Professional with  
report/design responsibility.

10.11 Rights and Remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

10.12 Integration. This Agreement, including the scope of services attached hereto and incorporated herein as Exhibit A, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

10.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.14 Execution of Contract. The persons executing this Agreement on behalf of each of the Parties hereto represent and warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other agreement to which said Party is bound.

10.15 Nondiscrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that in the performance of this Agreement there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10.16 No Third-Party Beneficiaries. There are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

10.17 Nonliability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Consultant, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

10.18 No Undue Influence. Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City shall receive compensation, directly or indirectly, from Consultant, or from any officer, employee, or agent of



Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement.

10.19 No Benefit to Arise to City Employees. No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or has responsibilities with respect to this Agreement during his/her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for the Services to be performed under this Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties hereto have executed and entered into this Agreement as of the Effective Date.

**CITY OF YORBA LINDA**

**CONSULTANT**

\_\_\_\_\_  
Mark Pulone, City Manager

\_\_\_\_\_  
Mike McCluskey, President

Attest:

\_\_\_\_\_  
Marcia Brown, City Clerk

\_\_\_\_\_  
Debi McCluskey, COO

Approved as to Form:

\_\_\_\_\_  
Todd Litfin, City Attorney

[Note: 2 officer's signatures required if  
Consultant is a corporation, unless provided  
with a certificate of secretary in-lieu]

## **EXHIBIT A**

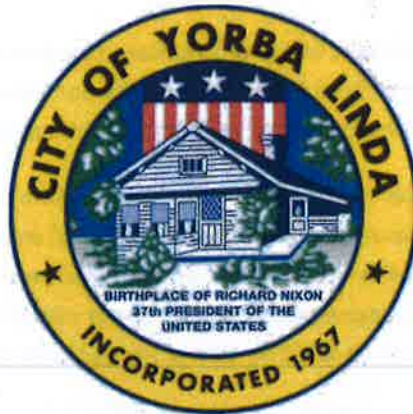
### **SCOPE OF SERVICES**

Services shall include Award of Contract for DMC and Microfilm Conversion services in the amount not to exceed One hundred twenty thousand and no cents (\$120,000.00) as further detailed in the following page(s).

**EXHIBIT A.**



Document Scanning Services  
RFP Prepared for:



City of Yorba Linda  
Jim Sowers, CBO  
Building Official  
Attn: Building Department  
4845 Casa Loma Avenue  
Yorba Linda, CA 92886  
(714) 961-7120  
[JSowers@yorbalingca.gov](mailto:JSowers@yorbalingca.gov)

Prepared By:

Mike McCluskey

(951)898-2800

[Mike.mc@dmc-image.com](mailto:Mike.mc@dmc-image.com)

September 12th, 2018

Jim Sowers, CBO  
Building Official  
City of Yorba Linda  
4845 Casa Loma Avenue  
Yorba Linda, CA 92886

Dear Mr. Sowers,

DMC is honored to present our response to the RFP for Document Scanning Services for the City of Yorba Linda. By submitting this proposal, DMC acknowledges we have thoroughly reviewed the RFP and are confident we would be a positive asset to the City of Yorba Linda. Our extensive background with cities positions us favorably with regards to accuracy, quality, and performance.

DMC, formerly known as MCO – Document Imaging Solutions, has provided these exact services to cities like City of Riverside, City of Newport Beach, City of Brea (currently), City of San Bernardino, (Mr. Sowers old stomping ground!) as well as cities through other vendors for whom we perform subcontracting work.

At the end of 2015, MCO agreed to sell part of its scanning production to Metasource. We mistakenly thought the sale to a national corporation would allow us to offer better service and expand our offerings. The reality is, as an Optimally Sized Family Owned Business, we offer much better product and services at a more competitive rate. We have always been quality before quantity. DMC is progressively rebuilding our client base, only this time, we are limiting our customer base to selective clients and we hope to add The City of Yorba Linda to our valued family.

We highly encourage you to call on our references as they will give you confirmation of our dedication to their projects, even the clients who are waiting to come back during their next bid cycle. Another source of work for DMC comes from other vendors. There are very few service bureaus, if any, which provide more subcontracting services than we do. We feel one of our strong points is our understanding of the equipment, the software and how to utilize them to achieve the most accurate and highest quality results possible.

DMC is staffed with quality driven individuals. Our goal is to build lasting, long term relationships with our clients. By providing quality service and product, we believe we can continue to earn client loyalty for years to come.

Our staff at DMC sincerely hopes you choose us as your Document Scanning provider so we can demonstrate what a local family owned and operated business has to offer. We are an “Optimally Sized” company! On a personal note, Mike McCluskey grew up in Yorba Linda. Mom still lives there in fact. Lots of great memories in YL.

Thank you for your consideration,

Mike McCluskey  
President  
(951)898-2800  
[mike.mc@dmc-image.com](mailto:mike.mc@dmc-image.com)

DMC – Document & Microfilm Conversion is a D.B.A of Debi McCluskey Companies  
 (Formerly MCO – Document Imaging Solutions a D.B.A. of McCluskey Companies, Inc.)

Business Established: 1986

California Corporation: 1999

DMC owners do not hold any controlling or financial interests in other organizations,  
 nor are we owned or controlled by another entity (thank goodness, not doing that again).

Location: 1499 Pomona Road, Unit C&D Corona CA 92882

-All in-house work is done at this location-

Contacts: Mike McCluskey, President  
 Debi McCluskey, Chief Operations Officer  
 Phone: (951) 898-2800  
 Fax: (951) 898-2808  
 Website: [www.dmc-image.com](http://www.dmc-image.com) (under construction)  
 Email: [mike.mc@dmc-image.com](mailto:mike.mc@dmc-image.com)

Federal EIN: 33-0863161  
 State Resale #: SREH – 97-579051  
 State Certified Small Business #: 0040226  
 DUNS #: 04-940-7385

Trade References:  
 Fuji Square9 Softworks  
 Panasonic NextScan  
 Scan Optics Indus USA

**SCOPE OF SERVICES**

Scanning and Data Services	Micrographic and Archive Services
B&W, Color, Gray Scale Document Scanning	Fuji Certified Processing and Duplication
Engineering Drawing Scanning	16MM & 35MM Microfilming Services
Microfilm, Microfiche, Aperture Card Scanning	Microfilm / Digital Image Retrieval to Paper
Data to Digital Image Conversion	Fuji Disaster Recovery Services
Scanning Hardware & Software	Micrographic Equipment & Service
Document Management Software	Digital Microform Scanners
Document Scanners	Microform Readers
Wide Format Scanners and Printers	Micrographic Supplies
Scanning Hardware Repair Service	Micrographic Equipment Repair Service

## ***2. Document Scanning Production Process***

DMC has thoroughly reviewed the RFP and will abide by all requirements established. DMC will meet or exceed all job steps requested by The City of Yorba Linda. The following is our job steps and procedures for typical City type conversion jobs.

### ***2.1 Pick-up / Delivery***

Pick-up & Delivery schedules will be arranged according to each client's needs. PU/Delivery is always performed by a DMC employee. DMC maintains currently mandated insurance levels as set forth in the RFP specs.

For each PU/Delivery, the drivers will have the proper paperwork identifying items being delivered or picked up. Multiple copies will be included as to allow for a copy to be left with the location(s) with whom the PU/Delivery is assigned.

DMC drivers will inventory any/all items being picked up and affix appropriate box ID labels as needed. For deliveries, the driver will verify with location staff all items listed on delivery tickets are present and accounted for.

### ***2.2 Receipt of Materials at DMC Facility***

DMC maintains a 4,500 square foot secure facility in Corona CA. DMC's facility is monitored by **24-hour video surveillance and alarm**. Facility remains locked during business hours. Visitors sign in when entering our facility. Video surveillance covers perimeter and interior. We are located ½ mile from the Corona PD and a fire station.

When client documents arrive at our facility they are immediately unloaded and verified against the pick-up slip. Any discrepancies are documented, production manager is notified and appropriate steps are taken to resolve any discrepancies.

Documents are transferred to the staging area after check in. Documents remain in the staging area until the production manager schedules them to be transferred to the appropriate prep stations. Once the documents enter into the conversion job step process, daily log sheets identify the progress and location of boxes and drawings/maps. At the completion of the conversion process, the documents are transferred to the appropriate disposition storage area. Documents to be returned to clients are stored in a "Return" area and documents that are to be destroyed are transferred to our destruction holding area. Documents for destruction are logged and destruction schedule is determined. Documents in "Return" area will have return paperwork generated and delivery schedules are set.

### ***2.3 Release of Documents into Production***

The Production Manager and Account Manager will collaborate and create the specific Job Steps required to perform a client's conversion project. The Job Step setup allows us to identify each and every process of the conversion. Scanning parameters, data entry, image quality, additional custom processes and final disposition of scanned images is determined at this stage. From this point on, any time a staff member is working with client images, the specific Job Steps are guaranteed to be met. This process has helped to eliminate potential confusion at any given stage of a Staff Member trying to remember or guess what the next step is supposed to be. The problem is very common when a paper based job step process is used.

The production manager will release a Department's documents into production at a designated time. Once released, the documents are inspected and sent to the appropriate Document Prep stations (Small Document and Wide/Large Document). If jobs contain small document and wide/large format documents, appropriate targets are generated linking the correct document types/files together.

## **2.4 Document Preparation**

Our preferred first step in the document prep procedure is to enter the data entry information into our system according to transmittal or document targets (if sent or visible). Each document set is assigned a unique id for tracking throughout the job. If the job utilizes a transmittal and we find there are missing documents or extra documents not on the list, we will immediately notify the contact person to rectify the situation. If the client did not send a transmittal document, we can create one electronically. We give each document lot (typically one plan set, file folder or group of documents) a unique # identifying it both as a part of the lot and as either a "Plan" or "Document". We have our internal transmittals setup to track what each document set contains, plan and docs or? We can modify the transmittals as needed, on a per job basis, to reflect the different tracking requirements of each job. "New File" barcode targets are created using the unique ID assigned. We then separate the documents within each lot according to size, large format or business size documents, because they will go to different machines. Each document set gets targets based on their requirements. If a document set has plans and docs then 2 targets are created using the same Unique ID but labeled as plans or docs. Next step is to physically prep documents (tape rips, remove staples, flatten folds, etc.). Prepped documents are loaded on "job carts" and transferred to the appropriate scanning station (large format and small format).

Depending on individual job requirements, additional target data can/will be generated. Targets can be generated from client provided database information, DMC generated database information or manually entered information.

## **2.5 Document Scanning – Small Documents**

Production scanning of small/business size documents (up to 11x17) is performed on our Scan Optics SO series 240ppm scanner or Panasonic 150ppm high volume production scanners. The high volume production scanners enable us to have a daily throughput that rivals the largest service bureaus if needed.

The scan operator performs a general cleaning of the scanners optic and paper path at the start of their day. On-going scanner maintenance, calibration and cleaning is performed on a regular basis in order to ensure against image degradation due to equipment malfunction

All physical paper will be scanned in duplex format (Front & Back captured at one pass). The pages will be scanned to a 300 DPI Bi-tonal single page Tiff image. All scanned images will be a representation of the original

During the scan process the scanners will read the target data and generate the required data entry information on the fly. Double feed detection is performed using ultrasonic sensors virtually eliminating any missed pages. The scanner is also reading the unique ID assigned to each document group. This is used during data entry/QC steps to ensure all documents have been captured.

During the scanning process, we perform our first of 3 image quality checks. Each scanner operator is trained to review the documents being scanned for image quality. If at any time during the scan session they feel a document



doesn't meet the image quality requirements we have established, they will rescan the document as necessary. Should the document be of such poor quality and a better image cannot be attained, a "Poor Quality Original" target is inserted prior to the document in question.

After scanning, the files will be placed in the original box in the order received. The boxes will be placed in a designated area until the boxes are scheduled for return to client.

## ***2.6 Document Scanning – Wide / Large Format***

Wide/Large Format scanning is performed on our WideTEK and KIP scanners. The WideTEK scanners are our primary production scanners as they have the industry leading quality and speed ratings. We have the ability to scan documents up to 48" wide x 30' in black/white, grayscale and color.

The scan operator performs a general cleaning of the scanners optic and paper path at the start of their day. On-going scanner maintenance, calibration and cleaning is performed on a regular basis in order to ensure against image degradation due to equipment malfunction

Wide/Large Format documents are scanned in the order they are found in their original configuration. The scanners read the "New File" targets and create each individual multipage file. The additional target data is captured in a secondary process run prior to the 2<sup>nd</sup> QC and Data Entry step. After scanning, the files will be placed in the original box in the order received.

During the scanning process, we perform our first of 3 image quality checks. Each scanner operator is trained to review the documents being scanned for image quality. If at any time during the scan session they feel a document doesn't meet the image quality

## ***2.7 Scanned Image Quality Control***

This step is the designated Image Quality Control Step. It's actually the 2<sup>nd</sup> QC step, first step is performed at the scanners. At this QC step, each scanned image is inspected. The QC station staff first review thumbnails of all the images to identify any obvious image defects. After thumbnail view, all images are inspected full screen, one image at a time. QC staff has the ability to rescan any document they deem necessary. Should a document be of such poor quality and a better image cannot be attained, a "Poor Quality Original" target is inserted prior to the document in question.

Image enhancement processes are run on the image files. Standard image enhancements included in each job include de-skew, de-speckle, and black border removal. Additional enhancements may include punched hole removal, redaction, color dropout, image fit and over 20 other enhancement options.

## **2.8 Data Entry / Indexing / File Naming**

Data Entry immediately follows the QC Step. Data Entry field data can be obtained from several methods. The Department specific Data Entry Job Step will have been outlined by the Production and Account managers and the data entry fields and the input methods have been entered into the Capture Data Entry Job Step.

Index data values can be extracted from various methods such as a SQL database, Excel file, Text files, XML files and more. Manual data entry is still a large percentage of the input method but that is slowly changing as more data is found to reside in a client database, and can be extracted automatically.

## **2.9 Final QC and Disposition of Materials**

The job is now ready for final QC verification and preparation for return to client. Completed image batches are output per client specifications (ex. PDF, TIFF, Laserfiche Briefcase .lfb, Images w/ XML, etc.).

Finished batches are checked against their respective work orders/job tickets for format verification.

Documents are boxed or barreled and readied for return on dates established or held for destruction.

Appropriate packing slips, any return media, and original documents are delivered to clients' facility and unloaded. Driver verifies with client all materials have been accounted for, delivery documents are signed and a copy is left with client.

This concludes the "tour" of our general Document Scanning Process.

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## **2.10 Quality Assurance Plan / Warranty / Guarantee**

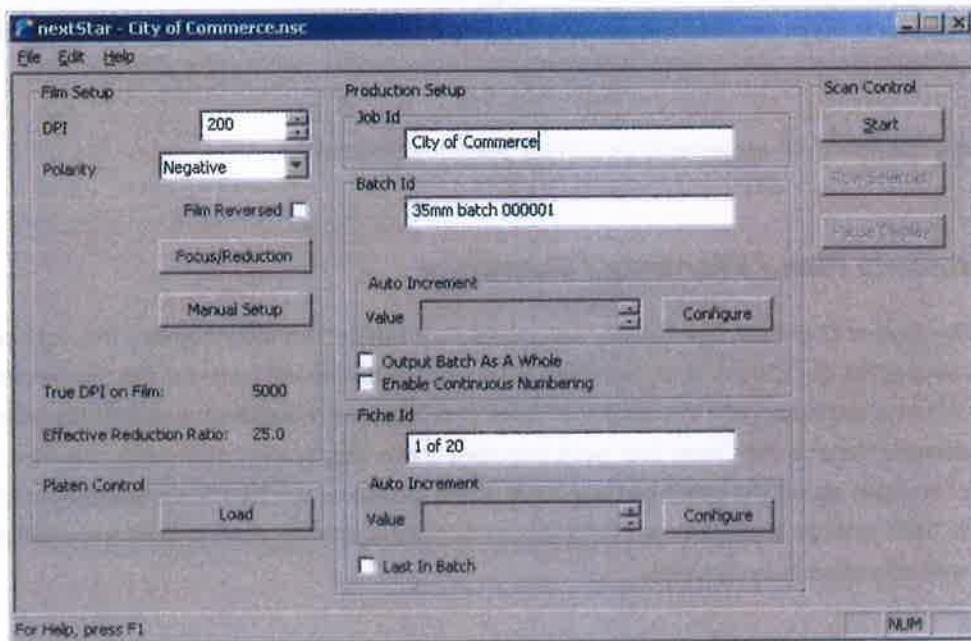
Always **Quality Before Quantity**. Our Quality Assurance Plan can be found throughout the Conversion Process outlined. Our goal is always for our Clients to be completely satisfied with the work we provide. In the simplest terms, if for some reason the client is unhappy with the quality of work provided, we will correct and provide the quality expected or we will demonstrate to the Client that work provided is the best quality attainable. We have never had a client cancel a job or complain about the quality of our work. If any problems are identified, without question, we will work to resolve them. **DMC is large enough to perform large volumes of quality work but we are small enough to give our clients the personal attention they deserve.**

## 2.11 Microform Scanning – Microfiche

All formats of microfiche, 16mm or 35mm, are scanned on our NextScan FlexScan 3 in 1 scanners. Our scanners are fully loaded with microfiche handler, updated Lumintec lighting for unparalleled image quality and updated Nextstar scanning software for increased speed.

Scan procedures start with setting up the job parameters in the Nextstar software, run some sample images and adjust the machine settings accordingly. With the addition of the Lumintec lighting the increase in quality has been phenomenal. We scan microforms that are so poor or degraded that most scanners can't even come close to creating an acceptable image. If the vendor of choice isn't using NextScan products with the Lumintec upgrade then you aren't getting the best possible image. And no, I'm not a paid spokesman for NextScan, they just make us look good and our job easier.

Screen Shot of Flexscan Nextstar Job Setup



When samples are completed and final settings are established the operators can begin scanning. The scan operators' primary responsibility is to keep the machine scanning as much as possible. With the upgraded software and lighting, the operators no longer have to periodically check image quality throughout a shift. The auto exposure improvements from the Lumintec system have an incredible range of auto adjustment. If you're not scanning with a Nextscan product, you're not getting the best quality images possible.

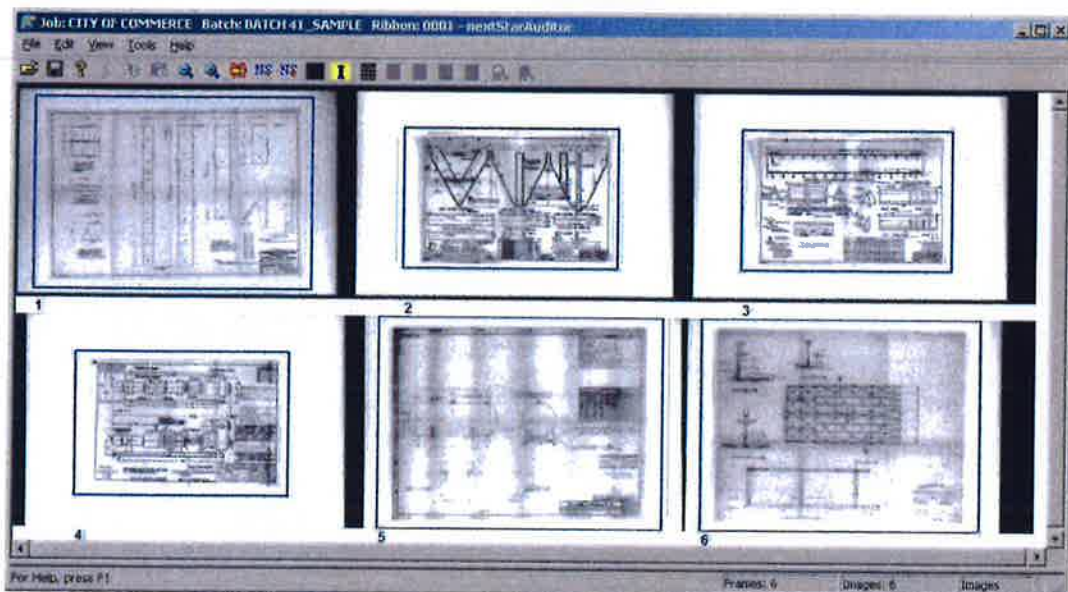
The FlexScan 3 in 1 scanner comes with a specially designed Ribbon Storage Device (RSD) to enable simultaneous capture and output, maximizing scanner throughput and allowing for QA/Audit during or after the scan, even from multiple workstations.

## 2.12 Scanned Image Quality Control – Image Extraction

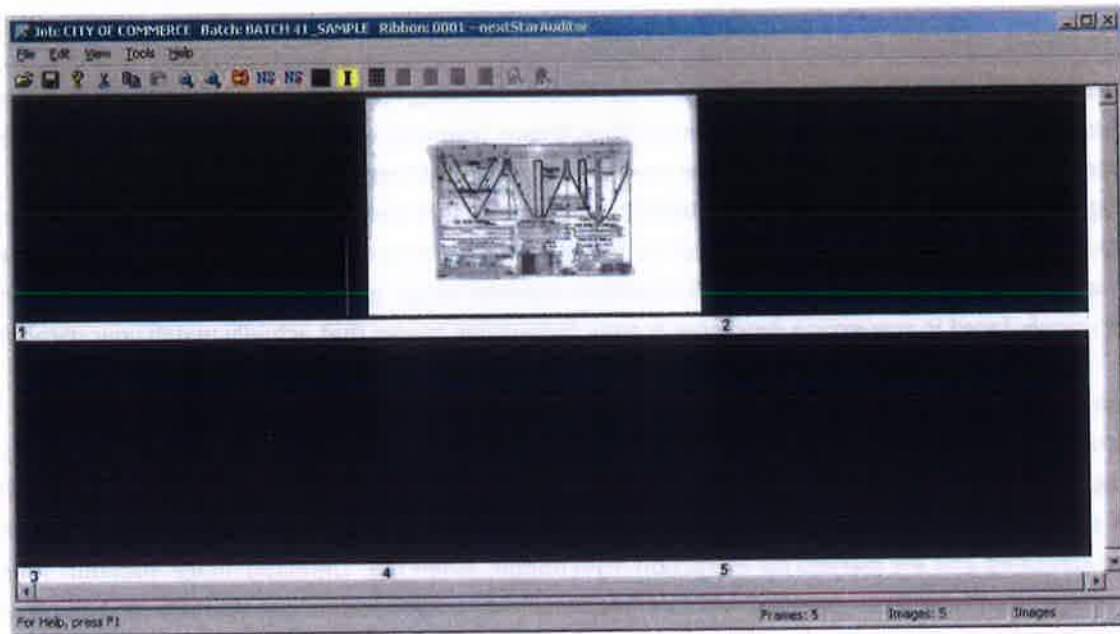
A very unique feature of the Nextstar software is the Ribbon Scanning function and how it relates to image quality and productivity. NextStar software, with its innovative Ribbon Scanning, was designed to reduce conversion costs while boosting productivity. NextStar allows the user to verify that all images were properly captured, and identifies any image detection or density problems. NextStar then allows the operator to correct those issues in a post-scan audit environment. NextStar eliminates the need for rescans resulting from density or frame detection problems, maximizing scanner utilization and productivity. With NextStar's superior image quality, handling any density and filming related issues commonly faced in conversion processes is easy, outputting images that actually match your database.

The following screen shot shows the Nextstar Auditor. The blue outline images denote acceptable images, yellow outline would identify images with potential problems. Auditors will review the yellow boxed images and correct or accept the image. Some images cannot be fixed beyond what was captured. Examples of this issue are images that were filmed with excessive skew or even partial images. We can do a complete "Detected Image Blackout" to verify all images have been identified and are marked for extraction from ribbon. When the "Detected Image Blackout" function is performed, all images that have been detected will turn black and only undetected or questionable images are visible. Makes for very efficient QC.

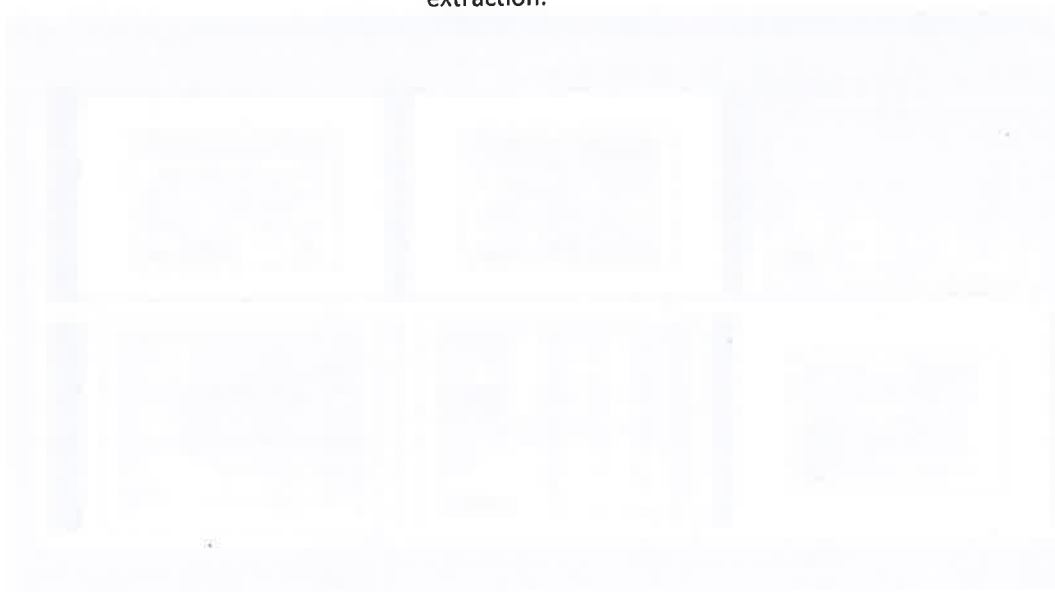
Screen Shot of Nextstar Auditor – Image Frames Detected



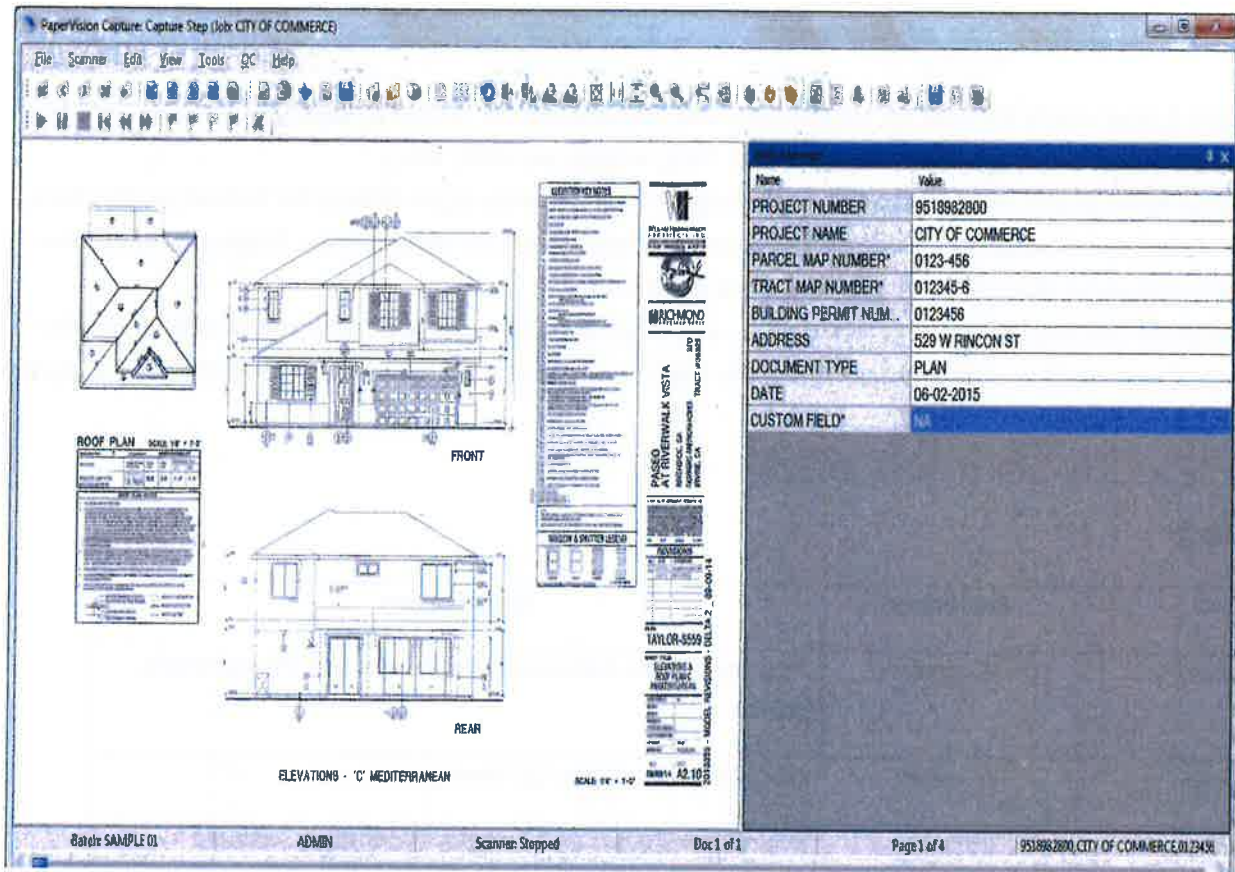
Screen Shot of Nexstar Auditor – Image Blackout showing images requiring manual detection.



The benefit of the Image Blackout function is that it allows the operators to ensure we are attaining 100% image extraction.







Screen Shot of Full Page View and Data Entry Window

## 2.13 Scanned Image Quality Control – Data Entry

This step is a little different from the similar Job Step in our Scanned Image Workflow. At this QC step, the extracted images from the Microform are imported into Capture for additional post processing and data entry. The QC station staff first review thumbnails of all the images to identify any obvious image defects. After thumbnail view, all images are inspected full screen, one image at a time. QC staff has the ability to request a rescan of any document they deem necessary. Image enhancement processes are run on the image files. Standard image enhancements included in each job include de-skew, de-speckle, and black border removal. Additional enhancements may include punched hole removal, redaction, color dropout, image fit and over 20 other enhancement options.

## 2.14 Data Entry

Data Entry immediately follows the QC Step. Data Entry field data can be obtained from several methods. The client specific Data Entry Job Step will have been outlined by the Production and Account managers and the data entry fields and the input methods have been entered into the Capture Data Entry Job Step (See Graphic Above).

## 2.15 Final QC and Disposition of Materials

The job is now ready for final QC verification and preparation for return to client. Completed image batches are output per client specifications (ex. PDF, TIFF, Images w/ XML, etc.).

Finished batches are checked against their respective work orders/job tickets for format verification.

Microforms are readied for return on dates established or held for destruction. Original Microforms are returned in the same manner in which they were picked up.

Appropriate packing slips, any return media, and original documents are delivered to clients' facility and unloaded. Driver verifies with client all materials have been accounted for, delivery documents are signed and a copy is left with client.

## 2.16 Our Staff

Name	Experience	Classification
Mike McCluskey	30 years	President, Sales Administration, Production Management, Janitor
Debi McCluskey	20 years	COO, Office Manager, QC Manager
Marv Thomas	13 years	Microform Production Manager, Production Software Administrator
Toni Estrada	10 years	Document Prep Small Document and Large Format, Large Format Scanning, Small Doc Scanning
Stephanie Martinez	11 years	Data Entry, Quality Control, Document Prep
Charlotte Martinez	11 years	Document Prep
Nathan McCluskey	6 years	Driver, Data & IT Support, Laserfiche certified support
Diana Perez	9 years	Document Prep, QC, Data Entry, Scanner Operator
Garrett McCluskey	4 years	Microform Scanner Operator, Document Scanner Operator
Lisa Martinez	5 years	Document Prep

### **3. References**

Most of the references are from our MCO period. When MCO officially changed to DMC in 2017 a majority of our work was for other vendors while we waited for our non-compete to end. We have been very fortunate with our vendor relationships, they have kept us very busy.

- **City of Riverside Department of Building and Safety (we are providing services as the subcontractor)**

Ruth Norris, 951-826-5942, [RNORRIS@riversideca.gov](mailto:RNORRIS@riversideca.gov)

MCO (now DMC) began picking up and converting documents over 10 years ago. MCO scanned and microfilmed the plans and calcs for building and safety. The scans were data entered for import into the City's existing Document Management System (Laserfiche) and microfilm is stored for Archive purposes. MCO also converted the entire Building and Safety microfiche and aperture card library for use in the City's Document Management System, completed job was over 2 million images. MCO created the templates used in the Building and Safety department as Laserfiche was just being implemented at the start of our bid award.

- **City of Brea (current DMC and former MCO client)**

Gabriel Linares, P.E., C.B.O. 714-990-7769, [gabriell@ci.brea.ca.us](mailto:gabriell@ci.brea.ca.us)

DMC just finished another phase of ongoing conversion of Brea's plans and documents. Documents were scanned and configured for the City's Laserfiche EDMS

- **City of Newport Beach, Planning Department and Department of Building and Safety (not current contract, waiting for next bid cycle)**

Lanny Krage, 949-644-3231, [LKrage@newportbeachca.gov](mailto:LKrage@newportbeachca.gov)

MCO would pick up documents on a bi-monthly basis. Paper documents are scanned and indexed and documents are converted to digital and indexed as well. City of Newport has Laserfiche but was responsible for uploading scanned images into their system. MCO did assist in their template creation during the initial implementation of Laserfiche.

- **City of Dana Point, City Clerk (current DMC and former MCO client)**

Gail Enriquez, City Clerk Specialist (949) 248-9920 [genriquez@danapoint.org](mailto:genriquez@danapoint.org)

DMC is currently scanning their microfiche library to PDF. As MCO, we created much of the microfiche we are now scanning

- **Complete Paperless Solutions CPS (current DMC and former MCO client)**

Claude Schott (760)522-5031 [cshott@cps247.com](mailto:cshott@cps247.com)

DMC (and as MCO) provides microfilm, microfiche and paper scanning services as needed. CPS is a well-established Laserfiche reseller in southern California

**Other clients included City of San Bernardino, City of Hawthorne (current), City of Claremont (current), Riverside County Probation Department (current).**



#### 4. Statement of Insurance

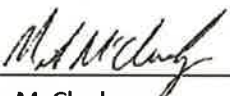
DMC will comply with the City's insurance and indemnification requirements if awarded bid.

## Price Schedule Update for City of Yorba Linda

Pick up plans once a month, from day of agreement ongoing.

Building Files	Cost
Document Prep: Target creation, staple removal, page repair, includes pre prep, no post prep required, docs to be shredded. (est. 250 dwgs/hr)	\$23.50/hr
Business Size Documents @ 300dpi; B/W, Grayscale, Color	\$0.12
Engineering/Large Format Size Documents (includes Mylar) @ 300dpi; 11"x17" up to "E" size, B/W, Grayscale, Color.	\$1.10
Data Entry – Standard 2 fields	\$0.25 / field
Data Entry – Expanded, additional fields after first 2	\$0.15 per field
Professional Services – Custom programming, template setup, other no scope technical services. (est. 3-5 hrs for initial setup)	\$95.00/hr
Laserfiche Data formatting, LF Briefcase or Volume	N/C
Pickup/Delivery – Assumption will be monthly pickup.	N/C
Additional pickup/delivery requests	\$185.00
Microfilm/Microfiche Scanning – If needed	TBD

This updated price schedule provided to the City of Yorba Linda has been prepared by:

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 \_\_\_\_\_  
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