

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

407



FROM: Larry W. Ward, Assessor-County Clerk-Recorder

SUBMITTAL DATE:
November 17, 2014

SUBJECT: Amendment No. 3 to the License Agreement with Pictometry International Corporation to update the Assessor's County Aerial Imagery Database. Districts: All. [Total Cost: \$215,971]; Department Revenue (40%) / State Grant (30%) / NCC (30%).

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve and execute the Third Amendment to the Agreement with Pictometry International Corporation to update the Assessor's County aerial imagery database from 1114 sectors to 2987 sectors; and to increase FY 14/15 cost from \$53,078 by \$162,893 to a new annual total of \$215,971;
- 2) Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to execute administrative amendments that do not, in aggregate, exceed the 10% project contingency fund and sign amendments that do not change the substantive terms of the agreement, including adjustments to the cost provided that the unit cost increases do not exceed the CPI.

BACKGROUND: Summary

On November 6, 2012, The Board approved Pictometry International Corp. (Pictometry) as a sole provider of aerial images taken from an oblique perspective and packaged with an application that supports: 1) storage and viewing of images of a location from different compass directions; 2) measurement of elevation, structure height, and ground distance from oblique images; and 3) location of a site by Assessor Parcel Number (APN) or Owner Name. As planned, Pictometry's aerial imagery technology will be integrated with the County's new property tax system currently being developed by Thomson-Reuters.

Bobbi Schutte

**Bobbi Schutte, Assistant Assessor-County Clerk-Recorder
For: Larry W. Ward Assessor-County Clerk-Recorder**

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|-----------------|----------------------|-------------------|-------------|---------------|---|
| COST | \$ 162,893 | \$ | \$ 162,893 | \$ | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ 64,547 | \$ | \$ 64,547 | \$ | |

SOURCE OF FUNDS: Departmental Revenue, NCC and State Grant

Budget Adjustment: No
APPROVE
For Fiscal Year: 2014/2015

C.E.O. RECOMMENDATION:

County Executive Office Signature

APPROVE
BY: *Karen L. Johnson*
Karen L. Johnson

MINUTES OF THE BOARD OF SUPERVISORS

Prev. Agn. Ref.: November 6, 2012; #3.17
April 30, 2013; #3-3; October 7, 2014; #3-3

District: ALL

Agenda Number:

3-2

RCIT: Christopher M. Hans, CIO
FOR APPROVED COUNTY COUNSELING & FLEET SERVICES: Lisa Brandl, Director
BY: GREGORY P. PRIAMOS, Departmental Concurrence
DATE: 11/17/14

- A-30
- 4/5 Vote
- Positions Added
- Change Order

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Amendment No. 3 to the License Agreement with Pictometry International Corporation to expand the flight area to capture, locate, inventory and value taxable and exempt secured and unsecured property in Riverside County. Districts: All. [Total Cost: \$215,971]; Department Revenue (40%) / State Grant (30%) / NCC (30%).

DATE: November 17, 2014

PAGE: 2 of 3

BACKGROUND:

Summary (continued)

On October 15, 2014, Riverside County was awarded a state grant for purposes of enhancing the administration of property tax roll. The Assessor-County Clerk-Recorder will use part of this grant to obtain aerial imagery of various sectors of the county. Aerial imagery is an integral part of the new property tax system. Pictometry is the only company providing oblique imagery integrated into Manatron's technology. Pictometry is the only oblique imagery product that integrates with the Assessor's existing and future appraisal applications: Matix, GRM, and ESRI. Pictometry mitigates the risk inherent to new system integration. Assessor staff is able to access property information layered on oblique imagery within one application

The Assessor needs to retrieve detailed property information to perform more accurate desk appraisals by quickly locating property and confirming what is being assessed by the use of aerial imagery and data provided by Pictometry. It is essential for the Assessor-County Clerk-Recorder to have the second capture completed by or as close to December 31, 2014 for the January 1st lien date. The lien date is the annual date the Assessor uses to determine the value of property for assessment purposes. The second and third capture will be used to update images to keep the imaging current.

The Assessor's goal is to provide its appraisal staff the ability to perform accurate and efficient desktop appraisals and to support property valuations as mandated. Pictometry oblique imagery enables appraisal staff to perform virtual field visits, and quickly determine property characteristics, property condition, and locational attributes from the desk. The implementation of Pictometry's technology has led to better appraisals and a reduction in the number of appeals.

The benefits to the County include:

- Reduce the time and expense of field assessments and allocate staff resources more efficiently
- View properties with restricted or difficult access
- Capture previously undetected taxable property changes in a region
- Improve communications during the appeal process using imagery

Impact on Citizens and Businesses

The Assessor's mission is to locate, inventory and value all taxable and exempt secured and unsecured property in Riverside County in accordance with the applicable constitutional, legislative and administrative provisions. This amendment will further assist appraisers with appraising residential, commercial, and industrial properties and to support property valuations as mandated.

SUPPLEMENTAL:

Additional Fiscal Information

There is no additional impact on the general fund. The initial \$53,078 contract is currently contained within the Assessor's budget; the additional cost of \$162,893 will be funded by the State and County match via the SCAPA program.

Contract History and Price Reasonableness

In compliance with Board Policy H-11 (Acquisition and Management of Information Systems and Services), the Riverside County Information Technology has reviewed and recommended the approval of the following information technology acquisitions:

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Amendment No. 3 to the License Agreement with Pictometry International Corporation to expand the flight area to capture, locate, inventory and value taxable and exempt secured and unsecured property in Riverside County. Districts: All. [Total Cost: \$215,971]; Department Revenue (40%) / State Grant (30%) / NCC (30%).

DATE: November 17, 2014

PAGE: 3 of 3

- Agreement with Pictometry – TSOC Approved - Tracking #24804 (8/27/12)
- Amendment No. 1 to the Agreement with Pictometry - Tracking # 26856 (4/18/13)
- Amendment No. 2 to the Agreement with Pictometry - Tracking # PR2014-01813 (9/4/14)

The net price for the services to be provided by Pictometry under this contract amendment is \$215,971.

ATTACHMENT:

Amendment No.3 to the Agreement with Pictometry International Corporation

**AMENDMENT NO. 3 TO AGREEMENT DATED 11/6/2012 BETWEEN PICTOMETRY
INTERNATIONAL CORPORATION (“PICTOMETRY”)
AND
RIVERSIDE COUNTY, CA ASSESSOR (“CUSTOMER”)**

1. This Amendment, including all Sections and Appendices referenced herein (collectively, this “Amendment”) is entered into by and between Pictometry and Customer and supplements and modifies the terms of the Agreement dated 11/6/2012 as, to the extent applicable, previously modified by addenda or amendments thereto (collectively, the “Agreement”). Any purchase order or similar document issued by Customer in connection with this Amendment is issued solely for Customer’s internal administrative purposes and the terms and conditions set forth on such purchase order shall be of no force or effect as between the parties. To the extent that there is any inconsistency between the terms set forth in this Amendment and those set forth in the Agreement, the terms set forth in this Amendment shall prevail.

Section A: Product Descriptions, Prices and Payment Terms

2. **MODIFICATIONS TO AGREEMENT:** The Licensed Products and the Payment Terms for the Second Project set forth in Section A of the Agreement shall be deleted in their entirety and replaced with the Section A attached to this Amendment. All other terms and conditions set forth in the Agreement shall remain the same.
3. All notices under this Agreement shall be in writing and shall be sent to the following respective addresses:

| CUSTOMER NOTICE ADDRESS | PICTOMETRY NOTICE ADDRESS |
|--------------------------------|---|
| 4080 Lemon Street, 6th Floor | 100 Town Centre Drive, Suite A |
| Riverside, California 92502 | Rochester, NY 14623 |
| Attn: Peter Aldana, | Attn: Contract Administration |
| Phone: (951) 413-2879 Fax: | Phone: (585) 486-0093 Fax: (585) 486-0098 |

Either party may change their respective notice address by giving written notice of such change to the other party at the other party’s then-current notice address. Notices shall be given by any of the following methods: personal delivery; reputable express courier providing written receipt; or postage-paid certified or registered United States mail, return receipt requested. Notice shall be deemed given when actually received or when delivery is refused.

This Amendment shall become effective only upon execution by duly authorized officers of Customer and Pictometry, respectively, and receipt by Pictometry of such fully executed document.

PARTIES:

| CUSTOMER | PICTOMETRY |
|---------------------------|---|
| RIVERSIDE ASSESSOR | PICTOMETRY INTERNATIONAL CORP. |
| (entity type) | a Delaware corporation |
| SIGNATURE: | SIGNATURE: |
| NAME: | NAME: |
| TITLE: | TITLE: |
| DATE: | EXECUTION DATE: |
| | DATE OF RECEIPT (EFFECTIVE DATE) |

FORM APPROVED COUNTY COUNSEL

BY:

Neal R. Kipnis
NEAL R. KIPNIS

DATE

11/14/14

SECTION A

PRODUCT DESCRIPTIONS, PRICES AND PAYMENT TERMS

Pictometry International Corp.
 100 Town Centre Drive, Suite A
 Rochester, NY 14623

| |
|----------------|
| ORDER # |
| C122020 |

| |
|-----------------------------------|
| BILL TO |
| Riverside County, CA - Assessment |
| Peter Aldana |
| 4080 Lemon Street,6th Floor |
| Riverside, California 92502 |
| (951) 413-2879 |
| paldana@asrclkrec.com |

| |
|-----------------------------------|
| SHIP TO |
| Riverside County, CA - Assessment |
| Peter Aldana |
| 4080 Lemon Street,6th Floor |
| Riverside, California 92502 |
| (951) 413-2879 |
| paldana@asrclkrec.com |

| | | |
|--------------------|------------------|-----------------------------|
| CUSTOMER ID | SALES REP | FREQUENCY OF PROJECT |
| A116630 | bgarcia | Biennial |

| SECOND PROJECT | | | | | |
|----------------------------------|---|---|------------|--------------------|---------------------|
| QTY | PRODUCT NAME | PRODUCT DESCRIPTION | LIST PRICE | DISCOUNT PRICE (%) | AMOUNT ¹ |
| 2951 | IMAGERY - COMMUNITY - 4-way (C5) (9in) with 9in mosaic tiles - Per Sector | Product includes 9-inch GSD oblique frame images (4-way), 9-inch GSD orthogonal frame images, 9-inch GSD ortho mosaic tiles, 1-meter GSD ortho mosaic sector tiles and one area-wide 1-meter GSD mosaic (ECW format). Orthogonal GSD: 0.75 feet/pixel; Nominal Oblique GSD (all values +5/-10%): Front Line: 0.74 feet/pixel, Middle Line: 0.85 feet/pixel, Back Line: 1.00 feet/pixel. | \$75.00 | \$67.50 (10%) | \$199,192.50 |
| 2951 | Mosaic - Area Wide (9in GSD; ECW format; individual) Per Sector | Available with purchase of corresponding tile product. New processing and re-processing to ECW of individual tiles of 9-inch GSD imagery. Tiles are provided "as is." Refer to Product Parameters for additional details. | \$0.50 | | \$1,475.50 |
| 1 | Media Drive Capacity 931G - Drive Model IT - EXTPOWER | External USB 2.0 / eSATA Externally Powered. Delivery media prices include copying a complete image library onto media. Sub-warehousing sold separately. | \$199.00 | | \$199.00 |
| 1 | Pictometry for ArcGIS Desktop - Active X Extension - Government (Seat) | Pictometry for ArcGIS Desktop. Active X extension compatible with ArcMap versions 9.3xx and 10. | \$0.00 | | \$0.00 |
| 1 | EAP PROGRAM | Refer to detailed description of EAP Program in attached Agreement. | \$0.00 | | \$0.00 |
| 1 | Electronic Field Study (EFS) | One copy of Electronic Field Study software, latest version. | \$0.00 | | \$0.00 |
| 1 | Oblique Imagery Bundle with Two (2) Years of EFS Maintenance & Support | Includes digital copy of the Licensed Documentation for the License Software, two (2) End User Training Sessions, one (1) Advanced User Technical Training, one (1) Administration / IT Training Session, ten (10) hours of telephone support, one copy of Pictometry Electronic Field Study (EFS) software, latest version, on the storage media specified herein, and access to download updated versions of the EFS Licensed Software for a period of two years from the initial date of shipment of the EFS software, along with a copy of the updated documentation. | \$0.00 | | \$0.00 |
| SUBTOTAL – SECOND PROJECT | | | | | \$200,867.00 |

| | | |
|--|-----------------------------|---------------------|
| Thank you for choosing Pictometry as your service provider. | SECOND PROJECT TOTAL | \$200,867.00 |
|--|-----------------------------|---------------------|

¹Amount per product = ((1-Discount %) * Qty * List Price)

FEES; PAYMENT TERMS

All amounts due to Pictometry pursuant to this Agreement ("Fees") are expressed in United States dollars and do not include any duties, taxes (including, without limitation, any sales, use, ad valorem or withholding, value added or other taxes) or handling fees, all of which are in addition to the amounts shown above and, to the extent applicable to purchases by Customer, shall be paid by Customer to Pictometry without reducing any amount owed to Pictometry unless documents satisfactory to Pictometry evidencing exemption from such taxes is provided to Pictometry prior to billing. To the extent any amounts properly invoiced pursuant to this Agreement are not paid within thirty (30) days following the invoice due date, such unpaid amounts shall accrue, and Customer shall pay, interest at the rate of 1.5% per month (or at the maximum rate allowed by law, if less). In addition, Customer shall pay Pictometry all costs Pictometry incurs in collecting past due amounts amount due under this Agreement including, but not limited to, attorneys' fees and court costs.

SECOND PROJECT

| | |
|---|--------------|
| Due at Shipment of Imagery | \$100,433.25 |
| Due at First Anniversary of Shipment of Imagery | \$100,433.25 |
| Total Payments | \$200,866.50 |

PRODUCT PARAMETERS

IMAGERY – SECOND PROJECT

| | |
|------------------------------|--|
| Product: | IMAGERY - COMMUNITY - 4-way (C5) (9in) with 9in mosaic tiles - Per Sector |
| <i>Elevation Source:</i> | Pictometry on File |
| <i>Leaf:</i> | Less than 30% leaf cover (Off) |
| <i>Special Instructions:</i> | Ortho Tile Format - TIFF |

IMAGERY – THIRD PROJECT

| | |
|------------------------------|--|
| Product: | IMAGERY - COMMUNITY - 4-way (C5) (9in) with 9in mosaic tiles - Per Sector |
| <i>Elevation Source:</i> | Pictometry on File |
| <i>Leaf:</i> | Less than 30% leaf cover (Off) |
| <i>Special Instructions:</i> | Ortho Tile Format - TIFF |

Standard Ortho Mosaic Products: Pictometry standard ortho mosaic products are produced through automated mosaicking processes that incorporate digital elevation data with individual Pictometry ortho frames to create large-area mosaics on an extremely cost-effective basis. Because these products are produced through automated processes, rather than more expensive manual review and hand-touched corrective processes, there may be inherent artifacts in some of the resulting mosaics. While Pictometry works to minimize such artifacts, the Pictometry standard ortho mosaic products are provided on an 'AS IS' basis with respect to visible outlines along mosaic seams resulting from the following types of artifacts:

- i. Disconnects in non-elevated surfaces generally caused by inaccurate elevation data;
- ii. Disconnects in elevated surfaces (e.g., roadways, bridges, etc.) generally caused by elevated surfaces not being represented in the elevation data;
- iii. Building intersect and clipping generally caused by buildings not being represented in the elevation data;
- iv. Seasonal variations caused by images taken at different times during a season, or during different seasons;
- v. Ground illumination variations caused by images taken under different illumination (e.g., sunny, high overcast, morning light, afternoon light, etc.) within one flight day or during different flight days;
- vi. Single GSD color variations caused by illumination differences or multiple-aircraft/camera captures;
- vii. Mixed GSD color variations caused by adjacent areas being flown at different ground sample distances (GSDs); and
- viii. Water body color variations caused by multiple individual frames being used to create a mosaic across a body of water (e.g., lakes, ponds, rivers, etc.).

Other Pictometry products may be available that are less prone to such artifacts than the Pictometry standard ortho mosaic products.

Economic Alliance Partnership (EAP)

Customer is eligible for the EAP program described below for a period of two years from the Effective Date. Following payment to Pictometry of amounts due with respect to each subsequent capture, Customer will be eligible for the then-current EAP program for a period of two years from delivery of such subsequent capture.

- A. Disaster Coverage Imagery at No Additional Charge** – Pictometry will, upon request of Customer and at no additional charge, provide updated imagery of up to 200 square miles of affected areas (as determined by Pictometry) upon the occurrence of any of the following events during any period Customer is eligible for the EAP program:
- **Hurricane:** areas affected by hurricanes of Category II and higher. (Coverage for hurricanes below Category II and for areas exceeding 200 square miles will be, subject to Pictometry resource availability, available to Customer at the then-current EAP rates.)
 - **Tornado:** areas affected by tornados rated EF4 and higher. (Coverage for tornados below EF4 and for areas exceeding 200 square miles will be, subject to Pictometry resource availability, available to Customer at the then-current EAP rates.)
 - **Terrorist:** areas affected by damage from terrorist attack. (Coverage for areas exceeding 200 square miles will be, subject to Pictometry resource availability, available to Customer at the then-current EAP rates.)
 - **Earthquake:** areas affected by damage to critical infrastructure resulting from earthquakes measured at 6.0 or higher on the Richter scale. (Coverage for earthquakes rated below 6.0 on the Richter scale and for areas exceeding 200 square miles will be, subject to Pictometry resource availability, available to Customer at the then-current EAP rates.)
 - **Tsunami:** areas affected by damage to critical infrastructure resulting from tsunamis. (Coverage for areas exceeding 200 square miles will be, subject to Pictometry resource availability, available to Customer at the then-current EAP rates.)
- B. Software – Use of Pictometry Change Analysis™** – Pictometry's EAP program includes the use of Change Analysis software for a term of ninety days from the date of delivery of the EAP imagery. The Change Analysis software simultaneously compares pre and post disaster images to aid recovery and restoration efforts.