

429



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

FROM: Riverside County Information Technology (RCIT); Public Health; and Purchasing and Fleet Services

SUBMITTAL DATE:
April 23, 2014

SUBJECT: Approval of a Countywide Contract with ECS Imaging, Inc. for Laserfiche Software and Implementation Services, 5-year Agreement, All Districts; [\$843,339], [\$125,000 ongoing] 100% Department Budgets

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the Agreement with ECS Imaging, Inc. for an amount of \$343,339 for the implementation of the Laserfiche Enterprise Document Management System including licensing and associated professional services;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to exercise the renewal options for up to four (4) additional years up to an annual amount of \$125,000, based on the availability of fiscal funding and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates;
3. Authorize the Purchasing Agent to increase the annual amount by up to \$75,000 based on additional County Departments utilizing this agreement; and

(continued on page 2)

Kevin K Crawford
Kevin K Crawford, CIO
RCIT

Susan D. Harrington
Susan D. Harrington, Director
Department of Public Health

Robert J. Howdyshell
Robert J. Howdyshell, Director
Purchasing and Fleet Services

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 343,339	\$ 125,000	\$ 843,339	\$ 125,000	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: Departmental Budgets	Budget Adjustment: Yes
	For Fiscal Year: 13/14 – 17/18

C.E.O. RECOMMENDATION: APPROVE

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: May 6, 2014
 xc: RCIT, Public Health, Purchasing, Auditor

Kecia Harper-Ihem
 Clerk of the Board
 By: *Kecia Harper-Ihem*
 Deputy

Prev. Agn. Ref.: | District: All | Agenda Number:

3-17

FORM APPROVED COUNTY COUNSEL
BY: NEAL R. KIPNIS DATE

FISCAL PROCEDURES APPROVED
PAUL ANGLIO, CPA-AUDITOR-CONTROLLER
BY: Esteban Hernandez 4/24/14
vii/Departmental Concurrence

A-30
 4/5 Vote
 Positions Added
 Change Order

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11:**

Approval of a Countywide Contract with ECS Imaging, Inc. for Laserfiche Software and Implementation Services, 5-year Agreement, All Districts; [\$843,339], [\$125,000 ongoing]
100% Department Budgets

DATE: April 23, 2014

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RECOMMENDED MOTION: (Continued)

4. Approve and direct the Auditor Controller to make the budget adjustments on Attachment A to allow Public Health to partner with RCIT and assist with the procurement of the Laserfiche environment including hardware costs and for migration costs for Public Health records into the Laserfiche environment.

BACKGROUND:

Summary

The proposed agreement with ECS Imaging enables the County to use an enterprise Laserfiche Document Management System with associated services to replace the end-of-life and unsupported Dazel system currently used with PeopleSoft for document storage. County Purchasing relies on Dazel as its official document storage for Purchase Orders and Dazel is also the repository for documents in payroll, revenue and expense, balance sheets, cash balances, and more.

Through this agreement, the County replaces Dazel with the Laserfiche solution for PeopleSoft-based document management, addresses records retention policy requirements, and establishes the foundation for a future Trusted System environment. The implementation also provides County departments the ability to utilize Laserfiche to meet their respective document management needs.

Public Health recognizes the value of establishing the enterprise environment and has partnered with RCIT to create the platform environment. The requested budget adjustment for Public Health will help fund both the enterprise platform and the costs to migrate Public Health records into the Laserfiche environment. RCIT appreciates and recognizes this valuable partnership with Public Health as it illustrates how county departments can work together on technology systems that benefit the entire county.

Currently, there are two county departments that utilize Laserfiche services for their records management needs. Consolidating the individual contracts into one enterprise agreement achieves operational efficiencies and cost savings. As a result of this agreement, the Human Resources Department and Transportation Land Management Agency will realize cost savings in the amount of 20% to 55% for software maintenance. There are no implementation costs for these two departments as their records already reside in a Laserfiche environment.

In addition to the ECS Imaging, Inc. purchase for the Laserfiche environment, RCIT will need to purchase hardware to support the enterprise environment and Public Health will need to purchase support equipment such as scanners and workstations. Purchasing will release a Request for Quote (RFQ) to county awarded hardware vendors for the equipment needs (estimated at \$156,000).

Impact on Citizens and Businesses

Approval of this Agreement enables the County to provide an effective storage, retention and recovery of essential electronic documents.

(Continued)

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PAGE: 3 of 4

SUPPLEMENTAL:
Additional Fiscal Information

RCIT will implement and be responsible for maintaining the enterprise platform environment. The estimated enterprise project cost for the Laserfiche implementation will consist of the initial purchase from ECS Imaging, Inc. for professional services, licenses, and software maintenance for the migration of PeopleSoft document files from Dazel, (estimated at \$109,099 for FY13/14). The estimated implementation costs for Public Health are estimated at \$211,800 and will be refined as the amount of work effort is identified for the department's records management needs.

<u>RCIT ECS Imaging, Inc. Purchase Costs:</u>		<u>RCIT 5-Year Costs</u>	
One-time Laserfiche Enterprise Platform Implementation:	\$ 69,609*		One-time
Software/Maintenance for Platform:	\$ 30,850		\$ 154,250
User Licenses (12)	\$ 7,200		One-time
Annual Support Maintenance:	\$ 1,440		\$ 7,200
	TOTAL	\$ 109,099	\$ 161,450

* Implementation costs offset with trade-in allowance and additional vendor discounts.

<u>Public Health ECS Imaging, Inc. Estimated Purchase Costs:</u>		<u>Public Health 5-Year Costs</u>	
One-time Laserfiche Enterprise Platform Implementation:	\$ 85,800		One-time
User Licenses (175)	\$ 105,000		One-time
Annual Support Maintenance:	\$ 21,000		\$ 105,000
	TOTAL	\$ 211,800*	\$ 105,050

*These are estimated costs and will be refined with ECS Imaging, Inc. during review of the Public Health implementation level of effort.

Departmental ECS Imaging, Inc. Purchase Costs:

Each department will be responsible for migration activity related to moving their documents into the new Laserfiche platform. The Laserfiche professional service costs related to the departmental implementation/migration is dependent on the level of work required. Central Purchasing will issue a Purchase Order for the professional services for the migration, license and software maintenance support costs for any department that wishes to utilize the enterprise environment similar to Public Health.

The table below identifies current and other departments that are seeking to use Laserfiche. However, it is anticipated that in the future, additional departments will be requesting to join the Laserfiche enterprise platform for their document storage needs.

Department	# of Licenses	User License Costs (\$600)	Annual Support Maintenance (\$120)	Departmental 5-Year Maintenance Costs
Auditor Controller	12	\$ 7,200	\$ 1,440	\$ 7,200
Human Resources	40	\$ Existing	\$ 4,800	\$ 24,000
TLMA	75	\$ Existing	\$ 9,000	\$ 45,000
TOTAL	127	\$ 7,200*	\$ 15,240*	\$ 76,200*

* Based on current counts and may increase or decrease based on departmental business needs.

(Continued)

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ECS Imaging, Inc. will provide the necessary licensing and professional services to complete the implementation and migration work as called for in the contract. In years 2-5, an allocation of \$125,000 will cover ongoing licensing and maintenance services, as well as, the necessary professional services for additional departments who migrate to the enterprise Laserfiche platform for their document management business needs. If the demand for the document management services increases beyond the authorized \$125,000 per year, Purchasing is requesting the authority to increase the contract with ECS Imaging, Inc., by no more than \$75,000 per year to accommodate the increased demand.

Contract History and Price Reasonableness

Purchasing released Request for Proposal (RFP) ITARC-191 for Laserfiche Services on behalf of RCIT. The RFP was advertised publicly and thirty-three companies were notified directly of its release. Two responses were received and reviewed by the evaluation committee. The inclusive cost ranges were \$225,840 to \$281,196 for the one-time total project cost and \$54,096 to \$71,850 for ongoing maintenance and support. Based on the evaluations, the lowest responsive bidder is ECS Imaging, Inc.

As additional departments purchase licenses and software maintenance support, volume discounts will apply. The next tier discount will be effective when the total licenses reach 500-999 users; per license cost will be reduced from \$600 to \$500 and support cost will be reduced from \$120 to \$100, offering an additional 15% discount. ECS Imaging is locking in all pricing and discounts for the license purchase and software maintenance support costs during the 5-year period.

ATTACHMENT A
Department of Public Health
Budget Adjustment
Fiscal Year 2013/2014

INCREASE IN APPROPRIATIONS:

10000-4200200000-525440	Professional Services	\$ 344,000
10000-4200200000-546080	Equipment-Computer	<u>\$ 156,000</u>
	TOTAL INCREASE IN APPROPRIATION	<u>\$ 500,000</u>

INCREASE IN ESTIMATED REVENUE:

10000-4200200000-751500	CA-Realignment/Health	<u>\$ 500,000</u>
	TOTAL INCREASE IN ESTIMATED REVENUE	<u>\$ 500,000</u>

AGREEMENT

for

LASERFICHE ENTERPRISE DOCUMENT MANAGEMENT SYSTEM

between

COUNTY OF RIVERSIDE

and

ECS IMAGING, INC.



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This Agreement, made and entered into this 29th day of April, 2014, by and between ECS Imaging Inc., (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY"). The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, consisting of five (5) pages at the prices stated in Exhibit B, Payment Provisions, consisting of six (6) pages and Attachment I, HIPAA Business Associate Attachment to the Agreement, consisting of ten (10) pages.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms this it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continue in effect through 4/30/2015, with the option to renew for four (4) additional years, each year shall be renewable in one year increments by written amendment, unless terminated earlier, with a completion date of 4/30/2019. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed three hundred forty three thousand three hundred ninety nine dollars (\$343,399) for the first year, including all expenses for existing projects and departmental services; and not to exceed two hundred thousand dollars (\$200,000) for each of the four (4) additional annual renewal years to include software maintenance and support and future project expenses. The COUNTY is

not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Primary user: Riverside County Information Technology (RCIT)

Attn: Accounts Payable

3450 14th Street

Riverside, CA 92501

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number RIVCO-91568-001-04/15 and/or departmental Purchase Order number; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) This contract allows individual departments within Riverside County to utilize the service offered and the primary user will be RCIT. Other using departments will contact the CONTRACTOR prior to services and advise of their correct remittance address and/or issue a departmental Purchase Order for services which indicates the remittance address.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination;
- and

- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement and at the rates set forth in Exhibit B.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 CONTRACTOR is debarred from the System for Award Management (SAM). If the agreement is federally or State funded, CONTRACTOR must notify the COUNTY immediately of the debarment. Reference: (System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

5.7 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. **Ownership/Use of Contract Materials and Products**

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY. The material, reports or products may be used by the COUNTY for any purpose COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

7. **Conduct of Contractor**

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR

further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR.

9. Independent Contractor

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the

CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants

that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public

disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

16.3 The CONTRACTOR is subject to and shall operate in compliance with all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, enacted August 21, 1996, and the related laws and regulations promulgated subsequent thereto. Please refer to Attachment 1 of this agreement.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Purchasing and Fleet Services
Attn: Melissa Etter
2980 Washington Street
Riverside, CA 92504

CONTRACTOR

ECS Imaging, Inc.
Attn: Debbi Bodewin
5905 Brockton Avenue, Suite C
Riverside, CA 92506

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs, and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

21.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.5 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's

limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto

evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall

promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

COUNTY:

County of Riverside

Signature: Jeff Stone

Print Name: Jeff Stone

Title: Chairman of the Board of Supervisors

Date: MAY 06 2014

CONTRACTOR:

ECS Imaging, Inc.

Signature: Debbi Bodewin

Print Name: Debbi Bodewin

Title: Sr. Vice President/Principal

Date: 4 23 14

FORM APPROVED COUNTY COUNSEL
BY: Neal R. Kipnis
NEAL R. KIPNIS DATE

ATTEST:
KECIA HARPER-IHEM, Clerk
By: [Signature]
DEPUTY

**EXHIBIT A
SCOPE OF SERVICE**

1.0 General:

1.1 Various Riverside County departments currently access or otherwise use Laserfiche Document Management Systems. The Transportation and Land Management Agency (TLMA) use Laserfiche to image Planning Department documents, Building and Safety documents, and Survey documents. The Auditor Controller's Office (ACO), Purchasing Department, and the Riverside County Information Technology (RCIT) Business Systems Bureau (BSB) uses Laserfiche for its Enterprise Solutions Systems based on PeopleSoft and Human Resources (HR) currently has 40 user licenses for document imaging.

1.2 COUNTY requires the CONTRACTOR to provide software maintenance and technical support for the current Laserfiche environments. COUNTY further requires licensing options to expand its Laserfiche environments and any associated maintenance and support.

1.3 The CONTRACTOR shall provide Enterprise Document System services based on Laserfiche RIO product which must include, but not be limited to, the following:

- a) Laserfiche licensing, products, and services to meet County Enterprise Document Management system requirements.
- b) System design.
- c) System implementation resources.
- d) System implementation services.
- e) System test and verification services.
- f) System maintenance support services.

1.4 All license fees paid by COUNTY shall be one-time payments only and shall be for non-exclusive perpetual licenses for the products.

2.0 Riverside County Enterprise Document Management System licensing agreements.

- a) The CONTRACTOR shall be responsible for upgrading the current Laserfiche environments to new versions or upcoming, and unreleased versions during the terms of this agreement.
- b) The CONTRACTOR shall provide a large number of "Read Only" users and a smaller number of "Full Use" licenses.
- c) The CONTRACTOR shall be responsible for flexibility in terms, use of licenses, and levels of pricing to allow the COUNTY to grow the current Laserfiche environment to meet COUNTY Enterprise needs.

3.0 Scalable architecture for scanning and accessing documents across the County Enterprise.

- a) The CONTRACTOR shall provide sufficient folder structures and controls for multiple areas and departments.
- b) The CONTRACTOR shall provide role-based security services to meet COUNTY administrative and departmental needs.
- c) The CONTRACTOR shall provide the ability to isolate users by roles to protect confidential data.

4.0 Services to convert documents from DAZEL:

- a) The CONTRACTOR shall convert DAZEL documents to PDF as DAZEL stores documents as Post Script.

- b) The CONTRACTOR shall convert scanned PDF files that are saved to a network drive.
- c) The CONTRACTOR shall convert previous versions of Laserfiche 8.0.2.
- d) The CONTRACTOR shall convert all County department legacy document management systems.
- e) The CONTRACTOR shall adhere to the requirement that all converted documents must be searchable and printable.

5.0 Implementation, configuration, and deployment plan with details including, but not limited to:

- a) The CONTRACTOR shall provide conversion of existing documents.
- b) The CONTRACTOR shall provide indexing strategy to identify key fields and form for easy entry.
- c) The CONTRACTOR shall provide exception processing.
- d) The CONTRACTOR shall provide interfacing with PeopleSoft.
- e) The CONTRACTOR shall provide all phases of unit testing, system integration testing, and acceptance testing.

6.0 Project Completion Report upon successful completion and final acceptance by the County:

- a) The CONTRACTOR shall identify all work tasks and deliverables that describe the completion status of each task for each COUNTY project assigned under this agreement.
- b) The CONTRACTOR shall provide variables and procedures to describe recommendations, and approaches for later use throughout the delivered system life cycle.
- c) The CONTRACTOR shall provide other documentation such as: progress reports, test results, etc. to demonstrate that all defined requirements were met and delivered.
- d) The Project Completion Reports are subject to approval and acceptance by the assigned COUNTY Project Manager. The County Project Manager will identify issues of comments to the CONTRACTOR for modification and/or clarification.

7.0 The CONTRACTOR shall provide the ability to add functionality for additional users and new County departmental Laserfiche implementations. Utilize Laserfiche modules including but not limited to, the following:

- a) Workflow.
- b) Web Access.
- c) Web Admin Console.
- d) Snapshot.
- e) Advanced Audit Trail.
- f) E-mail.
- g) Versioning.
- h) Digital Signatures.
- i) Import Agent.
- j) Quick fields (all components).
- k) Web Link.
- l) Toolkit.

8.0 The CONTRACTOR shall provide Optical Character Recognition (OCR) analysis services to reduce manual indexing.

9.0 The CONTRACTOR shall provide interface with PeopleSoft Financials V8.8/ V9.1 and

PeopleSoft HRMS V9.0/V9.2 and all future PeopleSoft and Oracle releases.

10.0 The CONTRACTOR shall analyze the COUNTY's current document imaging hardware/scanners/multifunctional printers (MFP) etc. and make recommendations as to their suitability with Laserfiche and:

- a) Support current output formats (typically PDF).
- b) Support range of County documents, reports, and other media.
- c) Identify capabilities of current imaging/scanning hardware.
- d) Make recommendations regarding replacements.

11.0 The CONTRACTOR shall provide retention, definition, schedules, and implementation to:

- a) Allow for flexible retention as defined by each COUNTY agency.
- b) Provide retention services compliant with COUNTY retention policies.
- c) Support retention policies spanning COUNTY, (high-level) Departmental, (mid-level) or document (low-level).

12.0 The CONTRACTOR shall provide a Training Plan with details including, but not limited to, the following:

- a) Training classes based on the Training plan.
- b) Knowledge transfer to COUNTY staff.
- c) Class session's onsite at Riverside County location. (To be determined)
- d) Capacity for up to twenty-four (24) COUNTY staff who will be responsible as Laserfiche Administrators, DBA, System Administrators and Department Super Users.
- e) Documentation materials of training and knowledge transfer process.

13.0 The CONTRACTOR shall provide a Maintenance Plan with details including, but not limited to, the following:

- a) Upgrade, renewal, and support options.
- b) General maintenance policies.
- c) Organizational responsibilities.
- d) Anticipated availability of resources.
- e) Maintenance tasks and plan (preventative or predictive) with an identified predetermined frequency or a schedule for database management administration, imaged document repository administration, and server administration.
- f) Maintenance Program requirements to be reviewed and updated every two (2) years with upgradable and or renewable options.

14.0 The CONTRACTOR shall provide documentation that encompasses the following:

- a) Guidelines.
- b) Reporting.
- c) Business process improvements.
- d) Routine maintenance and updates from other entities.
- e) New features.

15.0 The CONTRACTOR shall provide a qualified PMI certified Project Manager that is experienced in Laserfiche deployments and configurations. The CONTRACTOR's Project Manager must be on-site at the County:

- a) Periodically during all phases of implementation, configuration, and deployment.
- b) Full-time for all unit, integration, and acceptance testing.
- c) Sufficiently to provide effective communication and collaboration with the COUNTY team and the COUNTY Project Manager. This includes, but is not limited to: meetings, requirement reviews, project conditions, status updates, and assurance of required results.

16.0 The CONTRACTOR must provide onsite joint meetings, products, and services to identify and provide solutions for the following:

16.1 Auditor Controller's Office (ACO).

- a) Scan vendor documents, e.g. AP-7, W-9 or AP-1.
- b) Provide minimum ACO index/search requirements. (e.g. PeopleSoft Vendor Number)
- c) Save files in PDF format.
- d) Provide capability to drill down into folders.
- e) Provide services to index and view documents. No hardware to be involved in this process.

16.2 PeopleSoft Financials and Human Resource:

- a) Replace the existing information delivery system, which is DAZEL.
- b) Support PeopleSoft output files in PDF format.
- c) Interface and/or pick up the file via data exchange.
- d) Provide an automated process to index and store documents in Laserfiche.

16.3 Financials:

- a) Purchasing – Store purchase order document generated as currently processed.
 - i. Folder structure by business unit.
 - ii. Index to include Business Unit, and purchase order number.
 - iii. If solution is a “trusted system”, then there may be additional deliverables, e.g. Purchasing would be interested in scanning a signed purchase order into Laserfiche for storage.
 - iv. Scan and attach documents, e.g. Form 11, bid recaps, and Sole or Single Source justifications.
 - v. Official County reports – folder structure by Fiscal year and Quarter year.
 - vi. DBF – Image and store other related documents.
- b) Human Resources (HR)
 - i. Employee documents. Currently no connection to existing Laserfiche solution.
 - ii. PeopleSoft delivered, in addition to custom reports.
 - iii. Paychecks. Currently viewable in PeopleSoft as a PDF. PeopleSoft would generate a PDF; then Laserfiche would pick it up, index, and then store it.
- c) Transportation and Land Management Agency (TLMA)
 - i. Provide a solution for current imaging Planning documents.
 - ii. Provide a solution for current imaging Building and Safety documents.

- iii. Provide a solution for current imaging Transportation and Survey documents.
 - iv. TLMA uses Laserfiche modules: Snapshot, Audit Trail, Import Agent, Quick Fields, (all components) Web Access, Web Link, and Toolkit.
- d) Additional departments seeking Laserfiche services may be added and all projects will be coordinated with CONTRACTOR and the COUNTY Project Mangers.

17.0 The CONTRACTOR shall include a Project Management Plan for each COUNTY Laserfiche project with details including, but not limited to, the following:

- a) Scope Management.
- b) Risk Management.
- c) Schedule Management. Identify Work Breakdown Structure, tasks, and schedule details.
- d) Quality Management.
- e) Communications Management.

18.0 Each assigned CONTRACTOR staff member and consultants must successfully pass a Riverside County Sheriff's Office Level 1 Background Check when requested by the participating COUNTY department.

**EXHIBIT B
PAYMENT PROVISIONS**

1.0 Cost Breakdown provided by CONTRACTOR

	Product Description	Amount	Qty	Subtotal	Total
DEPT.	Software:				
<i>Upgrade</i>	Laserfiche MS SQL RIO 200-499 users (TLMA, RCIT, ACO)	\$ 600.00	99	\$59,400.00	
	<i>Includes unlimited Laserfiche servers & repositories, Workflow, Web Access, SharePoint Integration, Advanced Audit Trail, Snapshot, Email, and Digital Signature & Web Admin. (40 users already owned by HR)</i>				
<i>Upgrade</i>	Laserfiche Weblink Public Portal - unlimited Retrieval Users, Dual CPU.	\$ 25,000.00	1	\$25,000.00	
<i>TLMA</i>	Laserfiche Quickfields Core (QFs, Bar Code, RTL, Zone OCR, Pattern Matching) Keep existing functions only.	\$ 5,000.00	1	\$5,000.00	
<i>TLMA</i>	Quick Fields Agent - Automatically processes QF sessions	\$ 10,000.00	1	\$10,000.00	
<i>Upgrade</i>	Software Customization (20 Days)	\$ 24,000.00	1	\$24,000.00	
	Project Initiation (Project Manger 7.5 Days)	\$ 9,000.00	1	\$9,000.00	
	Project Implementation (Technical Staff, 14 Days)	\$16,800.00	1	\$16,800.00	
	Data Migration A 100GB (15 Days)	\$ 18,000.00	1	\$18,000.00	
	Data Migration B 300GB (15 Days)	\$ 18,000.00	1	\$18,000.00	
	System Testing (10 Days)	\$12,000.00	1	\$12,000.00	
	Initial Application Training	\$6,000.00	1	\$6,000.00	
	*ECS Annual Priority Support Contract	\$6,000.00	1	\$6,000.00	
	*Annual ECS Priority Support/Consulting including 50 hours on-site/remote and phone support for installed Laserfiche version - 1 year support.				
	1 st Year Annual Software Maintenance for PS Integration	\$4,800.00	1	\$4,800.00	
	User License View Only software Maintenance	\$10,000	1	\$10,000.00	
	1 st Year Annual Maintenance for Quick Field Agent	\$2,000.00	1	\$2,000.00	
	LF Toolkit SDK (discontinued)	\$0.00	1	\$0.00	No Charge
	1 st Year Annual Maintenance for Toolkit SDK	\$750.00	1	\$750.00	
	LF Import Agent	\$0.00	1	\$0.00	No Charge
	1 st Year Annual Maintenance for Import Agent (discontinued)	\$300.00	1	\$300.00	
<i>HR</i>	1 st Year Annual Workstation License	\$1,000.00	1	\$1,000.00	
<i>TLMA</i>	Software Maintenance (1 st Year discount if County keeps Quick Fields Core TLMA Functions) Trade-in	\$1,000.00	1	\$1,000.00	
<i>LSAP</i>	Laserfiche MS SQL RIO 200-499 users LSAP (HR, TLMA, RCIT, ACO) Annual Licensing Support and Maintenance	\$120.00	139	\$16,680.00	
		<i>Subtotal All</i>		\$245,730.00	
		**TLMA Annual Renewal		\$ 29,619.00	

		Discount		-\$ (15,000.00)
		TLMA Trade in Existing Software Credit		-\$ (136,810.00)
		DAZEL, HR & TLMA Project Total		\$ 123,539.00
		License Unit Cost	<i>QTY</i>	
	Upcoming Licenses – Public Health Project	Laserfiche MS SQL RIO 200-499 users @ \$600	175	\$ 105,000.00
	Upcoming LSAP – Public Health Annual License Maintenance	Laserfiche MS SQL RIO 200-499 users LSAP @ \$120	175	\$21,000
		New Total		\$249,539.00
<p>*Hourly service <u>totals</u> cannot be calculated for the Public Health project at this time. Initialization, implementation, migration, training and testing cost will be \$150.00/HR and invoiced for total hours for project completion. Estimated hours for project completion are 150. (\$85,800) Project hardware will be competitively bid as a separate RFQ.</p> <p>** COUNTY will pay \$29,619 for TLMA's annual renewal to bring the software current and in order to receive the trade-in allowance.</p>				

1.1 Annual Support and Maintenance costs for Laserfiche Software Assurance Plan (LSAP):

Service Description	Unit Cost
Laserfiche MS SQL RIO 200-499 users LSAP	\$120.00 per license
Laserfiche Weblink Public Portal Dual CPU LSAP	\$10,000 annually
Laserfiche Quickfields Core LSAP (TLMA)	\$1,000 annually
Laserfiche Quickfields Agent LSAP	\$2,000 annually
Laserfiche Toolkit	\$750.00 annually
Laserfiche Import Agent	\$300.00 annually
PeopleSoft Integration	\$4,800.00 annually
ECS Annual Priority Support Contract	\$6,000 annually
Workstation License (HR)	\$1,000 annually

2.0 Additional COUNTY Services:

2.1 - Any COUNTY Department choosing to participate in the use of Laserfiche including, but not limited to, upgrades, licenses, support and maintenance services will be extended the same pricing as noted above for their projects and services. CONTRACTOR may be asked to provide individual proposals based on specific departmental needs in regards to initiation, implementation, migration, material, training and testing. Trade-ins and discounts will be noted at time of purchase as applicable to COUNTY Department projects.

2.2 – The COUNTY Human Resources Department holds 40 full users Laserfiche Rio licenses which shall be included in this agreement at the ongoing support cost of \$120 per license. This agreement supersedes and replaces any prior existing agreement. Billing information and renewal cost will be communicated to Sue Martin at Phone: 951.955.5212 or Email: sue.martin@RivCoIT.org. Cost factored into above table on page 22 for Annual Software Maintenance & Support LSAP.

2.3 – COUNTY Public Health Agency California Children’s Services division would like to convert to Laserfiche document management and have estimated the need for 175 user licenses at \$600/Each, unlimited retrieval users and additional consulting services at \$150/Hour to implement their project. License and support costs have been included in the above table, but the additional project cost has not been factored in for initiation, implementation, migration, material, training and testing. A separate proposal will be requested for specific costs other than those outlined herein.

3.0 – Hourly Rates for Additional COUNTY Services:

Description	Hourly Rate
Project Initiation (Project Manager)	\$150.00
Project Implementation (Technical Staff)	\$150.00
Data Migration	\$150.00
Training Material	\$150.00
Initial Application Training	\$150.00
Ongoing Application Training	\$150.00
System Testing	\$150.00

4.0 Tier Discounts for ongoing COUNTY Services:

Product Description	Code	List Price	QTY DISC.	Annual LSAP	
				(Each)	Basic
Laserfiche Rio Pilot Named Full Users	25-49 users	ENFPL25	\$900	0%	\$180
	50-99 users	ENFPL50	\$833	7%	\$167
Laserfiche Rio Named Full Users (1) (2)	100-199 users	ENF01	\$700	0%	\$140
	200-499 users	ENF02	\$600	14%	\$120
	500-999 users	ENF05	\$500	29%	\$100
	1,000-1,499 users	ENF10	\$400	43%	\$80
	1,500-1,999 users	ENF15	\$350	50%	\$70
	2,000-3,999 users	ENF20	\$300	57%	\$60
	3,000-3,999 users	ENF30	\$260	63%	\$52
	4,000-4,999 users	ENF40	\$230	67%	\$46
	5,000-5,999 users	ENF50	\$200	71%	\$40
	6,000-6,999 users	ENF60	\$190	73%	\$38
	7,000-7,999 users	ENF70	\$180	74%	\$36
	8,000-8,999 users	ENF80	\$170	76%	\$34
	9,000-9,999 users	ENF90	\$160	77%	\$32
	10,000-19,999 users	ENF100	\$150	79%	\$30
	20,000-29,999 users	ENF200	\$135	81%	\$27
30,000-39,999 users	ENF300	\$120	83%	\$24	
40,000-49,999 users	ENF400	\$110	84%	\$22	
50,000+ users	ENF500	\$100	86%	\$20	
Laserfiche Rio Named Retrieval Users (3)	200-999 users	ENR2	\$200	0%	\$40
	1,000-9,999 users	ENR10	\$100	0%	\$20

10,000-19,999 users	ENR100	\$38	62%	\$8
20,000-49,999 users	ENR200	\$34	66%	\$7
50,000+ users	ENR500	\$25	75%	\$5

Laserfiche Forms Authenticated Participants (4)	1-49 users	EAFRM001	\$200		\$40
	50-199 users	EAFRM005	\$140		\$28
	200-499 users	EAFRM02	\$99		\$20
	500-999 users	EAFRM05	\$70		\$14
	1,000-1,999 users	EAFRM10	\$56		\$11
	2,000-2,999 users	EAFRM20	\$38		\$8
	3,000-4,999 users	EAFRM30	\$32		\$6
	5,000+ users	EAFRM50	\$26		\$5

4.1 Percentage Add-Ons

Laserfiche Records Management Edition (5)	ERM	10% add-on to all named full and retrieval users
Laserfiche Oracle Server Support	EOS	10% add-on to all named full and retrieval users
Laserfiche Forms Allows form creation and submission as well as the ability to participate in routing for all licensed users.	EFRM	10% add-on to all named full users

4.2 Portal Add-Ons

These applications allow individuals who do not have Laserfiche user licenses to interact with Laserfiche products.

Web Publishing Tools

		List Price	Annual LSAP
Laserfiche Pilot Public Portal license Includes Laserfiche WebLink and 25 WebLink-only retrieval connections	PPM25	\$25,000	\$5,000
Laserfiche Public Portal license Includes Laserfiche WebLink and unlimited WebLink-only retrieval connections per processor (6)	PPX	\$45,000	\$9,000
Laserfiche Public Portal license for dual processor machine	PPX2	\$50,000	\$10,000
Laserfiche Public Portal license for multiprocessor machine	PPMX	\$75,000	\$15,000

Information Capture Tools

Laserfiche Forms Portal Add-on Allows form submission from unlicensed (public) users. (7)	EPFRM	\$7,995	\$1,599
Laserfiche Forms Enterprise Portal Add-on (8) Allows anonymous form submission from unlicensed (public) users. Unlimited installations	EPXFRM	\$24,000	\$4,800

4.3 Desktop-Based Add-Ons

These applications are licensed per desktop; you will need one copy of the software for each computer on which it will be installed.

Product Description	Code	List Price (Each)	Annual LSAP Basic
Capture Tools			
Laserfiche Quick Fields	QC5	\$595	\$120
Laserfiche Quick Fields Basic Quick Fields and Validation packages for Bar Code and Real-Time Lookup	QC4	\$2,500	\$500

Laserfiche Quick Fields Core Quick Fields, Quick Fields Scripting Kit and Validation packages for Bar Code, Real-Time Lookup and Zone OCR	QC1	\$5,000		\$1,000
Laserfiche Quick Fields Classify Quick Fields Core package plus Document Classification	QC2	\$7,500		\$1,500
Laserfiche Quick Fields Context Quick Fields Core package plus Forms Alignment, Forms Identification, Forms Extractor, Optical Mark Recognition and Auto Stamp/Redaction/Bates Num.	QC3	\$10,000		\$2,000
Laserfiche Quick Fields Complete (All of the above)	QCX	\$15,000		\$3,000
Laserfiche Quick Fields Agent	QFA	\$10,000		\$2,000
Laserfiche Auto Stamp/Redaction/Bates Num. (upgrades only)	QC6	\$500		\$100
Laserfiche Document Classification (upgrades only)	QC9	\$5,000		\$1,000
Laserfiche Import Agent	IA	\$1,500		\$300
Laserfiche ScanConnect	SC01	\$165		\$33
Laserfiche ScanConnect 5-pack	SC05	\$660		\$132
Laserfiche ScanConnect 10-pack	SC10	\$915		\$183

Digital Archiving and Publishing

Laserfiche Plus for Digital Archiving (up to 5 seats, internal business use only)	PLUS1	\$10,000		\$2,000
Laserfiche Plus for Publishing (royalty-free distribution of published media (9))	PLUS2	\$3,800		\$1,600

4.4 Server-Based Add-Ons

These applications are installed on a server and available to some or all users client-side. You must buy one copy of the software for each server on which you wish to install it.

Product Description	Code	List Price (Each)	Annual LSAP	
			Basic	
Agenda Manager				
Laserfiche Enterprise Agenda Manager (10 Meeting Types)	EAM	\$25,000	\$5,000	
Laserfiche Enterprise Agenda Manager (50 Meeting Types)	EAM50	\$35,000	\$7,000	

Integration Tools

Laserfiche SDK	TK	\$2,500	\$750	
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4.5 Third Party Products

These products are complementary to the Laserfiche Rio product line.

Product Description	Code	List Price (Each)	Annual LSAP	
			Basic	
Laserfiche eCopy Connector				
LF Connector	ETKCON	\$1,495	\$299	
LF Connector 5 Pack	ETKCON5	\$5,975	\$1,195	

Pricing Notes

- NOTE:** A minimum of one year LSAP must be purchased with each new system. When new users or software are added to the system, LSAP should be adjusted so that all components of the system have the same renewal date.
- NOTE:** Volume discounts for additional users are based on the total size of the system. Thus someone adding 200 users to a 300-user system would receive the 500-user discount on the new purchase. Users must have current LSAP to take advantage of volume discounts.
- NOTE:** "Premium" LSAP provides a higher level of service as defined in Laserfiche service agreements.
- NOTE:** Quantity discounts for Laserfiche Rio Pilot named full users licenses and Laserfiche Rio full named user licenses are calculated separately.

(1) Named User pricing includes the following features:

- Unlimited Laserfiche Servers
 - Workflow
 - Web Access (including Lf Mobile, Web Access Light and the SharePoint integration)
 - Advanced Audit Trail with Watermark feature
 - Web Administration Console *requires Server 8.3 or later
 - Digital Signatures *requires Server 8.3 or later
 - Snapshot
 - E-mail
- (2) Rio Licensing is enforced by the Rio License Manager, a tool included with each Rio system.
 - (3) Named Retrieval Users have read-only access to Rio servers. Initial purchase has a minimum of 200 users.
 - (4) Laserfiche Forms Authenticated Participants requires the purchase of Laserfiche Forms.
 - (5) Laserfiche Records Management Edition is DoD 5015.2 certified. For our certified system configuration, please visit <http://jrtc.fhu.disa.mil/cgi/rma/reg.aspx>
 - (6) Unlimited Public Portal includes WebLink and WebLink-only unlimited retrieval connections per processor. Public Portal licenses provide read-only access only through Laserfiche WebLink. Any physical server or virtual machine using a Unlimited Public Portal license must have a number of licenses equal to the number of processors on the Laserfiche Server.
 - (7) Laserfiche Forms Portal Add-on requires the purchase of Laserfiche Forms and is licensed per server.
 - (8) Laserfiche Forms Enterprise Portal Add-on requires the purchase of Laserfiche Forms and is licensed per Laserfiche Rio system.
 - (9) Laserfiche Plus for Publishing allows royalty-free distribution of published CDs, provided they are distributed free of charge. Please see the license agreement for further details.

Attachment I

HIPAA Business Associate Agreement
Addendum to Contract
Between the County of Riverside and ECS Imaging, Inc.

This HIPAA Business Associate Agreement (the "Addendum") supplements, and is made part of the RIVCO-91568-001-04/15 (the "Underlying Agreement") between the County of Riverside ("County") and ECS Imaging, Inc. ("Contractor") and shall be effective as of the date the Underlying Agreement is approved by both Parties (the "Effective Date").

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which the Contractor provides services to County, and in conjunction with the provision of such services certain protected health information ("PHI") and/or certain electronic protected health information ("ePHI") may be created by or made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Public Law 104-191 enacted August 21, 1996, and the Health Information Technology for Economic and Clinical Health Act ("HITECH") of the American Recovery and Reinvestment Act of 2009, Public Law 111-5 enacted February 17, 2009, and the laws and regulations promulgated subsequent thereto, as may be amended from time to time, are applicable to the protection of any use or disclosure of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a covered entity, as defined in the Privacy Rule; and,

WHEREAS, to the extent County discloses PHI and/or ePHI to Contractor or Contractor creates, receives, maintains, transmits, or has access to PHI and/or ePHI of County, Contractor is a business associate, as defined in the Privacy Rule; and,

WHEREAS, pursuant to 42 USC §17931 and §17934, certain provisions of the Security Rule and Privacy Rule apply to a business associate of a covered entity in the same manner that they apply to the covered entity, the additional security and privacy requirements of HITECH are applicable to business associates and must be incorporated into the business associate agreement, and a business associate is liable for civil and criminal penalties for failure to comply with these security and/or privacy provisions; and,

WHEREAS, the parties mutually agree that any use or disclosure of PHI and/or ePHI must be in compliance with the Privacy Rule, Security Rule, HIPAA, HITECH and any other applicable law; and,

WHEREAS, the parties intend to enter into this Addendum to address the requirements and obligations set forth in the Privacy Rule, Security Rule, HITECH and HIPAA as they apply to Contractor as a business associate of County, including the establishment of permitted and required uses and disclosures of PHI and/or ePHI created or received by Contractor during the course of performing functions, services and activities on behalf of County, and appropriate limitations and conditions on such uses and disclosures;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in HITECH, HIPAA, Security Rule and/or Privacy Rule, as may be amended from time to time.
 - A. "Breach" when used in connection with PHI means the acquisition, access, use or disclosure of PHI in a manner not permitted under subpart E of the Privacy Rule which compromises the security or privacy of the PHI, and shall have the meaning given such term in 45 CFR §164.402.
 - (1) Except as provided below in Paragraph (2) of this definition, acquisition, access, use, or disclosure of PHI in a manner not permitted by subpart E of the Privacy Rule is presumed to be a breach unless Contractor demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following four factors:

- (a) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
 - (b) The unauthorized person who used the PHI or to whom the disclosure was made;
 - (c) Whether the PHI was actually acquired or viewed; and
 - (d) The extent to which the risk to the PHI has been mitigated.
- (2) Breach excludes:
- (a) Any unintentional acquisition, access or use of PHI by a workforce member or person acting under the authority of a covered entity or business associate, if such acquisition, access or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under subpart E of the Privacy Rule.
 - (b) Any inadvertent disclosure by a person who is authorized to access PHI at a covered entity or business associate to another person authorized to access PHI at the same covered entity, business associate, or organized health care arrangement in which County participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted by subpart E of the Privacy Rule.
 - (c) A disclosure of PHI where a covered entity or business associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.
- B. "Business associate" has the meaning given such term in 45 CFR §164.501, including but not limited to a subcontractor that creates, receives, maintains, transmits or accesses PHI on behalf of the business associate.
 - C. "Data aggregation" has the meaning given such term in 45 CFR §164.501.
 - D. "Designated record set" as defined in 45 CFR §164.501 means a group of records maintained by or for a covered entity that may include: the medical records and billing records about individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or, used, in whole or in part, by or for the covered entity to make decisions about individuals.
 - E. "Electronic protected health information" ("ePHI") as defined in 45 CFR §160.103 means protected health information transmitted by or maintained in electronic media.
 - F. "Electronic health record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff, and shall have the meaning given such term in 42 USC §17921(5).
 - G. "Health care operations" has the meaning given such term in 45 CFR §164.501.
 - H. "Individual" as defined in 45 CFR §160.103 means the person who is the subject of protected health information.
 - I. "Person" as defined in 45 CFR §160.103 means a natural person, trust or estate, partnership, corporation, professional association or corporation, or other entity, public or private.
 - J. "Privacy Rule" means the HIPAA regulations codified at 45 CFR Parts 160 and 164, Subparts A and E.
 - K. "Protected health information" ("PHI") has the meaning given such term in 45 CFR §160.103, which includes ePHI.
 - L. "Required by law" has the meaning given such term in 45 CFR §164.103.
 - M. "Secretary" means the Secretary of the U.S. Department of Health and Human Services ("HHS").

- N. "Security incident" as defined in 45 CFR §164.304 means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- O. "Security Rule" means the HIPAA Regulations codified at 45 CFR Parts 160 and 164, Subparts A and C.
- P. "Subcontractor" as defined in 45 CFR §160.103 means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.
- Q. "Unsecured protected health information" and "unsecured PHI" as defined in 45 CFR §164.402 means PHI not rendered unusable, unreadable, or indecipherable to unauthorized persons through use of a technology or methodology specified by the Secretary in the guidance issued under 42 USC §17932(h)(2).

2. Scope of Use and Disclosure by Contractor of County's PHI and/or ePHI.

- A. Except as otherwise provided in this Addendum, Contractor may use, disclose, or access PHI and/or ePHI as necessary to perform any and all obligations of Contractor under the Underlying Agreement or to perform functions, activities or services for, or on behalf of, County as specified in this Addendum, if such use or disclosure does not violate HIPAA, HITECH, the Privacy Rule and/or Security Rule.
- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or required by law, in accordance with 45 CFR §164.504(e)(2), Contractor may:
 - 1) Use PHI and/or ePHI if necessary for Contractor's proper management and administration and to carry out its legal responsibilities; and,
 - 2) Disclose PHI and/or ePHI for the purpose of Contractor's proper management and administration or to carry out its legal responsibilities, only if:
 - a) The disclosure is required by law; or,
 - b) Contractor obtains reasonable assurances, in writing, from the person to whom Contractor will disclose such PHI and/or ePHI that the person will:
 - i. Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose for which Contractor disclosed it to the person, or as required by law; and,
 - ii. Notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached; and,
 - 3) Use PHI to provide data aggregation services relating to the health care operations of County pursuant to the Underlying Agreement or as requested by County; and,
 - 4) De-identify all PHI and/or ePHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Notwithstanding the foregoing, in any instance where applicable state and/or federal laws and/or regulations are more stringent in their requirements than the provisions of HIPAA, including, but not limited to, prohibiting disclosure of mental health and/or substance abuse records, the applicable state and/or federal laws and/or regulations shall control the disclosure of records.

3. Prohibited Uses and Disclosures.

- A. Contractor may neither use, disclose, nor access PHI and/or ePHI in a manner not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI and/or ePHI and as authorized in writing from County.

- B. Contractor may neither use, disclose, nor access PHI and/or ePHI it receives from County or from another business associate of County, except as permitted or required by this Addendum, or as required by law.
- C. Contractor agrees not to make any disclosure of PHI and/or ePHI that County would be prohibited from making.
- D. Contractor shall not use or disclose PHI for any purpose prohibited by the Privacy Rule, Security Rule, HIPAA and/or HITECH, including, but not limited to 42 USC §17935 and §17936. Contractor agrees:
 - 1) Not to use or disclose PHI for fundraising , unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.514(f) or 45 CFR §164.508;
 - 2) Not to use or disclose PHI for marketing, as defined in 45 CFR §164.501, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.508(a)(3);
 - 3) Not to disclose PHI, except as otherwise required by law, to a health plan for purposes of carrying out payment or health care operations, if the individual has requested this restriction pursuant to 42 USC §17935(a) and 45 CFR §164.522, and has paid out of pocket in full for the health care item or service to which the PHI solely relates; and,
 - 4) Not to receive, directly or indirectly, remuneration in exchange for PHI, or engage in any act that would constitute a sale of PHI, as defined in 45 CFR §164.502(a)(5)(ii), unless permitted by the Underlying Agreement and in compliance with the requirements of a valid authorization under 45 CFR §164.508(a)(4). This prohibition shall not apply to payment by County to Contractor for services provided pursuant to the Underlying Agreement.

4. **Obligations of County.**

- A. County agrees to make its best efforts to notify Contractor promptly in writing of any restrictions on the use or disclosure of PHI and/or ePHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees to make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any individual to use or disclose PHI and/or ePHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees to make its best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use or disclosure of PHI and/or ePHI.
- D. County agrees not to request Contractor to use or disclose PHI and/or ePHI in any manner that would not be permissible under HITECH, HIPAA, the Privacy Rule, and/or Security Rule.
- E. County agrees to obtain any authorizations necessary for the use or disclosure of PHI and/or ePHI, so that Contractor can perform its obligations under this Addendum and/or Underlying Agreement.

5. **Obligations of Contractor.** In connection with the use or disclosure of PHI and/or ePHI, Contractor agrees to:

- A. Use or disclose PHI only if such use or disclosure complies with each applicable requirement of 45 CFR §164.504(e). Contractor shall also comply with the additional privacy requirements that are applicable to covered entities in HITECH, as may be amended from time to time.
- B. Not use or further disclose PHI and/or ePHI other than as permitted or required by this Addendum or as required by law. Contractor shall promptly notify County if Contractor is required by law to disclose PHI and/or ePHI.
- C. Use appropriate safeguards and comply, where applicable, with the Security Rule with respect to ePHI, to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Addendum.

- D. Mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI and/or ePHI by Contractor in violation of this Addendum.
 - E. Report to County any use or disclosure of PHI and/or ePHI not provided for by this Addendum or otherwise in violation of HITECH, HIPAA, the Privacy Rule, and/or Security Rule of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410.
 - F. In accordance with 45 CFR §164.502(e)(1)(ii), require that any subcontractors that create, receive, maintain, transmit or access PHI on behalf of the Contractor agree through contract to the same restrictions and conditions that apply to Contractor with respect to such PHI and/or ePHI, including the restrictions and conditions pursuant to this Addendum.
 - G. Make available to County or the Secretary, in the time and manner designated by County or Secretary, Contractor's internal practices, books and records relating to the use, disclosure and privacy protection of PHI received from County, or created or received by Contractor on behalf of County, for purposes of determining, investigating or auditing Contractor's and/or County's compliance with the Privacy Rule.
 - H. Request, use or disclose only the minimum amount of PHI necessary to accomplish the intended purpose of the request, use or disclosure in accordance with 42 USC §17935(b) and 45 CFR §164.502(b)(1).
 - I. Comply with requirements of satisfactory assurances under 45 CFR §164.512 relating to notice or qualified protective order in response to a third party's subpoena, discovery request, or other lawful process for the disclosure of PHI, which Contractor shall promptly notify County upon Contractor's receipt of such request from a third party.
 - J. Not require an individual to provide patient authorization for use or disclosure of PHI as a condition for treatment, payment, enrollment in any health plan (including the health plan administered by County), or eligibility of benefits, unless otherwise excepted under 45 CFR §164.508(b)(4) and authorized in writing by County.
 - K. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use, disclosure, or access of PHI and/or ePHI.
 - L. Obtain and maintain knowledge of applicable laws and regulations related to HIPAA and HITECH, as may be amended from time to time.
 - M. Comply with the requirements of the Privacy Rule that apply to the County to the extent Contractor is to carry out County's obligations under the Privacy Rule.
 - N. Take reasonable steps to cure or end any pattern of activity or practice of its subcontractor of which Contractor becomes aware that constitute a material breach or violation of the subcontractor's obligations under the business associate contract with Contractor, and if such steps are unsuccessful, Contractor agrees to terminate its contract with the subcontractor if feasible.
6. **Access to PHI, Amendment and Disclosure Accounting.** Contractor agrees to:
- A. **Access to PHI, including ePHI.** Provide access to PHI, including ePHI if maintained electronically, in a designated record set to County or an individual as directed by County, within five (5) days of request from County, to satisfy the requirements of 45 CFR §164.524.
 - B. **Amendment of PHI.** Make PHI available for amendment and incorporate amendments to PHI in a designated record set County directs or agrees to at the request of an individual, within fifteen (15) days of receiving a written request from County, in accordance with 45 CFR §164.526.
 - C. **Accounting of disclosures of PHI and electronic health record.** Assist County to fulfill its obligations to provide accounting of disclosures of PHI under 45 CFR §164.528 and, where applicable, electronic health records under 42 USC §17935(c) if Contractor uses or maintains electronic health records. Contractor shall:

- 1) Document such disclosures of PHI and/or electronic health records, and information related to such disclosures, as would be required for County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record in accordance with 45 CFR §164.528.
- 2) Within fifteen (15) days of receiving a written request from County, provide to County or any individual as directed by County information collected in accordance with this section to permit County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record.
- 3) Make available for County information required by this Section 6.C for six (6) years preceding the individual's request for accounting of disclosures of PHI, and for three (3) years preceding the individual's request for accounting of disclosures of electronic health record.

7. **Security of ePHI.** In the event County discloses ePHI to Contractor or Contractor needs to create, receive, maintain, transmit or have access to County ePHI, in accordance with 42 USC §17931 and 45 CFR §164.314(a)(2)(i), and §164.306, Contractor shall:

1. Comply with the applicable requirements of the Security Rule, and implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that Contractor creates, receives, maintains, or transmits on behalf of County in accordance with 45 CFR §164.308, §164.310, and §164.312;
 2. Comply with each of the requirements of 45 CFR §164.316 relating to the implementation of policies, procedures and documentation requirements with respect to ePHI;
 3. Protect against any reasonably anticipated threats or hazards to the security or integrity of ePHI;
 4. Protect against any reasonably anticipated uses or disclosures of ePHI that are not permitted or required under the Privacy Rule;
 5. Ensure compliance with the Security Rule by Contractor's workforce;
 6. In accordance with 45 CFR §164.308(b)(2), require that any subcontractors that create, receive, maintain, transmit, or access ePHI on behalf of Contractor agree through contract to the same restrictions and requirements contained in this Addendum and comply with the applicable requirements of the Security Rule;
 7. Report to County any security incident of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410; and,
 8. Comply with any additional security requirements that are applicable to covered entities in Title 42 (Public Health and Welfare) of the United States Code, as may be amended from time to time, including but not limited to HITECH.
8. **Breach of Unsecured PHI.** In the case of breach of unsecured PHI, Contractor shall comply with the applicable provisions of 42 USC §17932 and 45 CFR Part 164, Subpart D, including but not limited to 45 CFR §164.410.

A. **Discovery and notification.** Following the discovery of a breach of unsecured PHI, Contractor shall notify County in writing of such breach without unreasonable delay and in no case later than 60 calendar days after discovery of a breach, except as provided in 45 CFR §164.412.

- 1) **Breaches treated as discovered.** A breach is treated as discovered by Contractor as of the first day on which such breach is known to Contractor or, by exercising reasonable diligence, would have been known to Contractor, which includes any person, other than the person committing the breach, who is an employee, officer, or other agent of Contractor (determined in accordance with the federal common law of agency).

- 2) **Content of notification.** The written notification to County relating to breach of unsecured PHI shall include, to the extent possible, the following information if known (or can be reasonably obtained) by Contractor:
 - a) The identification of each individual whose unsecured PHI has been, or is reasonably believed by Contractor to have been accessed, acquired, used or disclosed during the breach;
 - b) A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known;
 - c) A description of the types of unsecured PHI involved in the breach, such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved;
 - d) Any steps individuals should take to protect themselves from potential harm resulting from the breach;
 - e) A brief description of what Contractor is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and,
 - f) Contact procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.
- B. **Cooperation.** With respect to any breach of unsecured PHI reported by Contractor, Contractor shall cooperate with County and shall provide County with any information requested by County to enable County to fulfill in a timely manner its own reporting and notification obligations, including but not limited to providing notice to individuals, prominent media outlets and the Secretary in accordance with 42 USC §17932 and 45 CFR §164.404, §164.406 and §164.408.
- C. **Breach log.** To the extent breach of unsecured PHI involves less than 500 individuals, Contractor shall maintain a log or other documentation of such breaches and provide such log or other documentation on an annual basis to County not later than fifteen (15) days after the end of each calendar year for submission to the Secretary.
- D. **Delay of notification authorized by law enforcement.** If Contractor delays notification of breach of unsecured PHI pursuant to a law enforcement official's statement that required notification, notice or posting would impede a criminal investigation or cause damage to national security, Contractor shall maintain documentation sufficient to demonstrate its compliance with the requirements of 45 CFR §164.412.
- E. **Payment of costs.** With respect to any breach of unsecured PHI caused solely by the Contractor's failure to comply with one or more of its obligations under this Addendum and/or the provisions of HITECH, HIPAA, the Privacy Rule or the Security Rule, Contractor agrees to pay any and all costs associated with providing all legally required notifications to individuals, media outlets, and the Secretary. This provision shall not be construed to limit or diminish Contractor's obligations to indemnify, defend and hold harmless County under Section 9 of this Addendum.
- F. **Documentation.** Pursuant to 45 CFR §164.414(b), in the event Contractor's use or disclosure of PHI and/or ePHI violates the Privacy Rule, Contractor shall maintain documentation sufficient to demonstrate that all notifications were made by Contractor as required by 45 CFR Part 164, Subpart D, or that such use or disclosure did not constitute a breach, including Contractor's completed risk assessment and investigation documentation.
- G. **Additional State Reporting Requirements.** The parties agree that this Section 8.G applies only if and/or when County, in its capacity as a licensed clinic, health facility, home health agency, or hospice, is required to report unlawful or unauthorized access, use, or disclosure of medical information under the more stringent requirements of California Health & Safety Code §1280.15. For purposes of this Section 8.G, "unauthorized" has the meaning given such term in California Health & Safety Code §1280.15(j)(2).

- 1) Contractor agrees to assist County to fulfill its reporting obligations to affected patients and to the California Department of Public Health ("CDPH") in a timely manner under the California Health & Safety Code §1280.15.
- 2) Contractor agrees to report to County any unlawful or unauthorized access, use, or disclosure of patient's medical information without unreasonable delay and no later than two (2) business days after Contractor detects such incident. Contractor further agrees such report shall be made in writing, and shall include substantially the same types of information listed above in Section 8.A.2 (Content of Notification) as applicable to the unlawful or unauthorized access, use, or disclosure as defined above in this section, understanding and acknowledging that the term "breach" as used in Section 8.A.2 does not apply to California Health & Safety Code §1280.15.

9. **Hold Harmless/Indemnification.**

- A. Contractor agrees to indemnify and hold harmless County, all Agencies, Districts, Special Districts and Departments of County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, death, or any other element of any kind or nature whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees, including but not limited to attorney fees, cost of investigation, defense and settlements or awards, of County, all Agencies, Districts, Special Districts and Departments of County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents or representatives in any claim or action based upon such alleged acts or omissions.
 - B. With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.
 - C. The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless County herein from third party claims arising from issues of this Addendum.
 - D. In the event there is conflict between this clause and California Civil Code §2782, this clause shall be interpreted to comply with Civil Code §2782. Such interpretation shall not relieve the Contractor from indemnifying County to the fullest extent allowed by law.
 - E. In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.
10. **Term.** This Addendum shall commence upon the Effective Date and shall terminate when all PHI and/or ePHI provided by County to Contractor, or created or received by Contractor on behalf of County, is destroyed or returned to County, or, if it is infeasible to return or destroy PHI and/ePHI, protections are extended to such information, in accordance with section 11.B of this Addendum.
11. **Termination.**
- A. **Termination for Breach of Contract.** A breach of any provision of this Addendum by either party shall constitute a material breach of the Underlying Agreement and will provide grounds for terminating this Addendum and the

Underlying Agreement with or without an opportunity to cure the breach, notwithstanding any provision in the Underlying Agreement to the contrary. Either party, upon written notice to the other party describing the breach, may take any of the following actions:

- 1) Terminate the Underlying Agreement and this Addendum, effective immediately, if the other party breaches a material provision of this Addendum.
- 2) Provide the other party with an opportunity to cure the alleged material breach and in the event the other party fails to cure the breach to the satisfaction of the non-breaching party in a timely manner, the non-breaching party has the right to immediately terminate the Underlying Agreement and this Addendum.
- 3) If termination of the Underlying Agreement is not feasible, the breaching party, upon the request of the non-breaching party, shall implement, at its own expense, a plan to cure the breach and report regularly on its compliance with such plan to the non-breaching party.

B. Effect of Termination.

- 1) Upon termination of this Addendum, for any reason, Contractor shall return or, if agreed to in writing by County, destroy all PHI and/or ePHI received from County, or created or received by the Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI and/or ePHI which are in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of PHI and/or ePHI, except as provided below in paragraph (2) of this section.
- 2) In the event that Contractor determines that returning or destroying the PHI and/or ePHI is not feasible, Contractor shall provide written notification to County of the conditions that make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI and/or ePHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and/or ePHI and limit further uses and disclosures of such PHI and/or ePHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI and/or ePHI.

12. General Provisions.

- A. **Retention Period.** Whenever Contractor is required to document or maintain documentation pursuant to the terms of this Addendum, Contractor shall retain such documentation for 6 years from the date of its creation or as otherwise prescribed by law, whichever is later.
- B. **Amendment.** The parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with HITECH, the Privacy Rule, Security Rule, and HIPAA generally.
- C. **Survival.** The obligations of Contractor under Sections 3, 5, 6, 7, 8, 9, 11.B and 12.A of this Addendum shall survive the termination or expiration of this Addendum.
- D. **Regulatory and Statutory References.** A reference in this Addendum to a section in HITECH, HIPAA, the Privacy Rule and/or Security Rule means the section(s) as in effect or as amended.
- E. **Conflicts.** The provisions of this Addendum shall prevail over any provisions in the Underlying Agreement that conflict or appear inconsistent with any provision in this Addendum.
- F. **Interpretation of Addendum.**
 - 1) This Addendum shall be construed to be part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of the Privacy Rule, Security Rule, HIPAA and HITECH.
 - 2) Any ambiguity between this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule, Security Rule, HIPAA and HITECH generally.
- G. **Notices to County.** All notifications required to be given by Contractor to County pursuant to the terms of this Addendum shall be made in writing and delivered to the County both by fax and to both of the addresses listed below by either registered or certified mail return receipt requested or guaranteed overnight mail with tracing capability, or at such other address as County may hereafter designate. All notices to County provided by Contractor pursuant to this Section shall be deemed given or made when received by County.

County HIPAA Privacy Officer: HIPAA Privacy Manager
County HIPAA Privacy Officer Address: P.O. Box 1569
Riverside, CA 92502
County HIPAA Privacy Officer Fax Number: (951) 955-HIPAA or (951) 955-4472

----- **TO BE COMPLETED BY COUNTY PERSONNEL ONLY** -----

County Departmental Officer: Lisa Boerner
County Departmental Officer Title: Purchasing Manager
County Department Address: 2980 Washington Street, Riverside CA 92504
County Department Fax Number: 951-955-3730