

THIS PRINT COVERS CALENDAR ITEM NO. : 10.8

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute Contract No. SFMTA 2016-82, Software License and Maintenance Agreement, with KnowledgeLake Inc., for a digital document management system in an amount not to exceed \$3,388,350 for a two-year term ending January 31, 2019, with two options to extend the Agreement for up to one year each for a total of up to two additional years, to be exercised in the sole discretion of the Director of Transportation or his/her designee.

SUMMARY:

- The SFMTA wishes to hire the services of a contractor to convert existing paper-based document formats into searchable digital images and provide SFMTA with the means going forward to digitize newly-created records.
- The SFMTA issued a Request for Proposals (RFP) on June 14, 2016 and selected KnowledgeLake Inc., as the highest qualified scorer pursuant to the RFP.
- Contractor will assist the SFMTA in implementing an electronic document management system and imaging services to facilitate SFMTA's goal of reducing paper consumption and to convert paper-based document formats into digital images that are easily storable, searchable and retrievable for viewing and printing; and provide software support services, including providing telephone and/or online support concerning the installation and use of the digitization software; training in the installation and use of the software; and on-site consulting and application development services.
- This Agreement will help alleviate work space limitations by reducing the amount of paper boxes in storage rooms and other areas that could be used for employee work space, and will provide electronic access to documents only currently available in paper format and enhance SFMTA's response to public records requests by saving valuable staff time when searching for responsive records.

ENCLOSURES:

1. SFMTAB Resolution
2. Software License and Maintenance Agreement

APPROVALS:

DATE

DIRECTOR _____ 2/10/17
SECRETARY R. Boomer _____ 2/10/17

ASSIGNED SFMTAB CALENDAR DATE: February 21, 2017

PAGE 2.

PURPOSE

Authorizing the Director of Transportation to execute Contract No. SFMTA 2016-82, Software License and Maintenance Agreement, with KnowledgeLake Inc., for a digital document management system in an amount not to exceed \$3,388,350 for a two-year term ending January 31, 2019, with two options to extend the Agreement for up to one year each for a total of up to two additional years, to be exercised in the sole discretion of the Director of Transportation or his/her designee.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This agreement supports the following Strategic Plan Goals:

Goal 3: Improve the quality of life and environment in San Francisco.

Objective 3.1 Reduce the Agency's and the transportation system's resource consumption, emissions, waste, and noise

Goal 4: Create a workplace that delivers outstanding service

Objective 4.4 Create a collaborative and innovative work environment

This agreement supports the following Transit-First Policy Principle:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

DESCRIPTION

The SFMTA has limited work space which is negatively impacted by the storage of boxes of historical and working documents. The SFMTA does not currently store all paper documents electronically which makes retrieval difficult and time consuming when responding to public records requests. The SFMTA seeks to hire the services of a contractor to convert existing paper-based document formats into searchable digital images and provide the SFMTA with the means to digitize records that the Agency creates in the future.

The SFMTA issued a Request for Proposals (RFP) on June 14, 2016. Two vendors submitted proposals, KnowledgeLake Inc. and Ricoh, Inc. After the contract compliance team reviewed each proposal, they determined that Ricoh failed to list sub-consultant(s) to meet the Local Business Enterprise (LBE) goal of 20%, and failed to demonstrate good faith efforts to meet the requirement. KnowledgeLake listed DSU Discovery, an LBE certified firm, as its subcontractor who will perform services for more than 35% of the Agreement's NTE amount. Therefore, KnowledgeLake emerged as the sole responsible and responsive proposer.

The proposed Agreement will help alleviate SFMTA work space limitations by reducing the amount of paper boxes in storage rooms and other areas and will also provide electronic access

PAGE 3.

to documents only currently available in paper format to enhance responses to public records requests by saving valuable staff time searching for responsive documents. The proposed contract term is two years, with two options to extend the Agreement for up to one year each, for a total of up to two additional years, and a not to exceed amount of \$3,388,350.

Over the term of the Agreement, KnowledgeLake will digitize and make available via SharePoint (the agency's designated content-management software) all the 'paper only' documents located at the SFMTA headquarters at One South Van Ness Avenue. Staff estimates the quantities of 'paper only' records to be approximately eight million pages.

The Contractor will assist the SFMTA in implementing an electronic document management system and imaging services to facilitate SFMTA's goal of reducing paper consumption and to convert paper-based document formats into digital images that are easily storable, searchable and retrievable for viewing and printing, either in part or in the document's entirety. This will include both management of existing records, and providing SFMTA with the means to digitize newly-created records going forward.

The Contractor will assist the SFMTA in determining the preferred scanning methodology that supports SFMTA business processes and needs. SFMTA anticipates a phased approach to this project. Each phase represents anticipated tasks and milestones. Phases, tasks and milestones will be created, published and agreed upon by all involved parties during project kickoff weeks. The project plan will be updated throughout project lifecycle(s) to support changes for all SFMTA divisions and departments.

An additional but essential part of the Agreement is to facilitate compliance with SFMTA's Record Retention Policy with respect to scanned documents. The software will alert appropriate document owners when the retention period for a particular document is coming to end. Once that occurs, the SFMTA can direct the contractor to delete records no longer required to be retained. In the event the Record Retention Policy changes after implementation of the Agreement and requires modifications to the system, SFMTA Information Technology (IT) staff will be properly trained to perform necessary adjustments.

The Contractor will conduct periodic group training and individual training when appropriate, and will be available by phone or email for immediate support.

In its negotiations with the contractor, SFMTA has agreed, with some limited exceptions, to limit the maximum amount of claims that may be sought by SFMTA under the contract to the value of the contract (\$3,388,350). This limitation does not extend to any claims brought against contractor by any third parties.

STAKEHOLDER ENGAGEMENT

The SFMTA receives many requests for public information from citizens and the media that result in numerous staff hours to compile requested information. Both the public and staff have,

PAGE 4.

over the years, requested making this process more efficient and timely. The agreement would address these concerns.

ALTERNATIVES CONSIDERED

The alternative to entering into an agreement for document digitization would for the SFMTA to continue to store records in paper format without an ability to properly search or use printed material. Continued storage of records and materials in paper form would also continue negatively impact SFMTA work space.

FUNDING IMPACT

The total not to exceed amount of this agreement is \$3,388,350. Funding for the agreement has been included in the SFMTA Board's approved two-year budget for FY2017 and FY2018.

ENVIRONMENTAL REVIEW

On October 19, 2016, the SFMTA, under authority delegated by the Planning Department, determined that the Digital Document Management System is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The City Attorney Office has reviewed this report.

Approval for this agreement was obtained when the Civil Service Commission approved Contract number SFMTA 2016-82 on 02/06/2017.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation to execute Contract No. SFMTA 2016-82, Software License and Maintenance Agreement, with KnowledgeLake Inc., for a digital document management system in an amount not to exceed \$3,388,350, for a two-year term ending January 31, 2019, with two options to extend the Agreement for up to one year each for a total of up to two additional years, to be exercised in the sole discretion of the Director of Transportation or his/her designee.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The SFMTA seeks to hire the services of a contractor to convert paper-based document formats into searchable digital images and provide SFMTA with the means to digitize records that the Agency creates in the future; and,

WHEREAS, The SFMTA issued a Request for Proposals (RFP) on June 14, 2016 and although two vendors submitted proposals, SFMTA's Contract Procurement Office determined that KnowledgeLake Inc., was the only responsive and responsible proposer; and,

WHEREAS, The Contract Compliance Office reviewed the bid proposals and determined that KnowledgeLake Inc., has made a commitment to achieve the Local Business Enterprise (LBE) participation goal of 20% established for this contract; and,

WHEREAS, Contractor will assist the SFMTA in implementing an electronic document management system and imaging services to facilitate SFMTA's goal of reducing paper consumption and to convert paper-based document formats into digital images that are easily storable, searchable and retrievable for viewing and printing, either in part or in the document's entirety; and,

WHEREAS, Contractor will assist the SFMTA in determining the preferred scanning methodology that supports SFMTA business processes and needs, and assist SFMTA in alleviating work space limitations by reducing the amount of paper boxes in storage rooms and other areas that could be used for employee work space; and,

WHEREAS, The Agreement will enable SFMTA to have electronic access to documents only currently available in paper format, enhance SFMTA's ability to respond to public records requests by saving valuable staff time searching for responsive documents; and facilitate SFMTA's compliance with the Agency's Record Retention Policy for all scanned documents by alerting document owners when the retention period for a particular document is coming to end; and,

WHEREAS, Approval of the agreement would mitigate concerns that both the public and staff have had over the years in making responses to voluminous public information requests more efficient and timely; and

WHEREAS, Funding for the agreement has been included in the SFMTA Board's approved two-year budget for FY2017 and FY2018.; and,

WHEREAS, On October 19, 2016, the SFMTA, under authority delegated by the Planning Department, determined that the Digital Document Management System is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute Contract No. SFMTA 2016-82, Software License and Maintenance Agreement, with KnowledgeLake Inc., for a digital document management system in an amount not to exceed \$3,388,350 for a two-year term ending January 31, 2019, with two options to extend the Agreement for up to one year each for a total of up to two additional years, to be exercised in the sole discretion of the Director of Transportation or his/her designee.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of February 21, 2017.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

**City and County of San Francisco
Municipal Transportation Agency
One South Van Ness Ave. 7th floor
San Francisco, California 94103**

**Software License and Maintenance Agreement
between The City and County of San Francisco and
KnowledgeLake Inc.
Contract No. SFMTA 2016-82**

This agreement (the “Agreement”) is made this _____ day of _____, 2017, in the City and County of San Francisco, State of California, by and between: KnowledgeLake Inc., 6 City Place Drive, Suite 500, Saint Louis MO 63141, hereinafter referred to as “Contractor,” and the City and County of San Francisco, acting by and through its Municipal Transportation Agency (“SFMTA”) (collectively, the “Parties”).

Recitals

- A.** The SFMTA wishes to hire the services of a contractor to convert paper-based document formats into digital images.
- B.** The SFMTA issued a Request for Proposals (RFP) on June 14, 2016 and selected Contractor as the highest qualified scorer pursuant to the RFP.
- C.** The Local Business Entity (LBE) subcontracting participation requirement for this Agreement is 20 %.
- D.** Contractor represents and warrants that it is qualified to perform the Services required by City as set forth under this Agreement.
- E.** Approval for this Agreement was obtained when the Civil Service Commission approved Contract number 43147-15/16 on 09/11/2015 and as amended on 02/06/2017.

Now, THEREFORE, the parties agree as follows:

- 1. Definitions.** Where any word or phrase defined below, or a pronoun used in place thereof, is used in any part of this Agreement, it shall have the meaning herein set forth.

Acceptance

Notice from the City to Contractor that the Licensed Software meets the specifications contained in the Documentation. City’s Acceptance of the Licensed Software shall be governed by the procedures set forth in Section 8.

Agreement

This contract document, including all attached appendices, and all applicable City Ordinances and Mandatory City Requirements that are specifically incorporated into this Agreement by reference as provided herein.

Authorization; Authorization document	This Agreement, a Blanket Purchase Order, Contract Order, or Purchase Order of the City, properly executed by SFMTA, and certified by the Controller for the specific funding of this Agreement or any modification thereof.
City	The City and County of San Francisco, a municipal corporation, acting by and through its Municipal Transportation Agency (SFMTA).
CMD	The Contract Monitoring Division of the City.
Contractor or Consultant	KnowledgeLake Inc.
C&P	SFMTA Contracts and Procurement.
Deliverables	Contractor's work product resulting from the Services that are provided by Contractor to City during the course of Contractor's performance of the Agreement, including without limitation, the work product described in the "Scope of Services" attached as Appendix A.
Designated CPU	Any central processing unit or attached processor complex, including its peripheral units as described in the Authorization Document. The Authorization Document may designate more than one CPU.
Designated Site	The facility or facilities specified in Appendix A, attached hereto and incorporated by reference as though fully set forth herein, or any other facility designated by the City, where the Designated CPU is located.
Documentation	The technical publications relating to the use of the Licensed Software, Maintenance and Support, Implementation and Contractor's official written and/or electronic user manuals, software descriptions, administration guide, release notes, reference manuals, installation manuals, administrative and programmer manuals, and other official policies of the Contractor provided by Contractor to City.
Effective Date	Date upon which the Controller has certified to the availability of funds and the Contractor has been notified in writing.
Errors, Defects and Malfunctions	Either a deviation between the function of the Software and the documentation furnished by Contractor for the Software, or a failure of the Software which degrades the use of the Software.
Fix	Repair or replacement of source, object or executable code in the Software to remedy an Error, Defect or Malfunction.

Known Error	Repair or replacement of source, object or executable code in the Software to remedy an Error, Defect or Malfunction.
Licensed Software; Software	One or more of the proprietary computer software programs identified in the Authorization Document, all related materials, Documentation, all corrections, patches, updates, modifications or Upgrades thereto, and other written information received by City from Contractor, whether in machine-readable or printed form. The Authorization Document may identify more than one software product or more than one copy of any product.
Maintenance and Support	Any and all activities carried out by Contractor or on behalf of Contractor in order to make available commercially versions or updates of the Software, such as but not limited to: improvements, variations, modifications, alterations, additions, error corrections, enhancements, functional changes in order to: <ul style="list-style-type: none"> a. Improve the software's efficiency and maintainability; b. Improve operational integrity and efficiency, c. Functional changes to correct errors, and d. Additions to extend functionality.
Mandatory City Requirements	Those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws that impose specific duties and obligations upon Contractor.
Major Release	A Software release (for instance release number 1.1 to 2.0) that contains new functionality modules and/or large functional improvements of and/or expansions to existing functional modules, but which is not/has not been included as a separate Software module in the price list of Contractor.
Minor Release	A Software release (from, for instance, release number 1.1 to 1.2 that comprises small functional improvements of existing functional modules.
Object code	Machine readable compiled form of Licensed Software provided by Contractor.
Patch	Temporary repair or replacement of code in the Software to remedy an Error, Defect or Malfunction. Patches may be made permanent and released in Subsequent Releases of the Software.

Priority Category	A priority assigned to an Error, Defect or Malfunction, designating the urgency of correcting an Error, Defect or Malfunction. Assignment of a Priority Category to an Error, Defect or Malfunction is based on City's determination of the severity of the Error, Defect or Malfunction and Contractor's reasonable analysis of the priority of the Error, Defect or Malfunction.
Priority Protocol	Based on the Priority Category, rules specifying the turnaround time for correcting Errors, Malfunctions and Defects; escalation procedures, and personnel assignment.
Services	The work performed by Contractor under this Agreement as specifically described in the "Scope of Services" attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.
Specifications	The functional and operational characteristics of the Licensed Software as described in Contractor's current published product descriptions and technical manuals
Subsequent Release	A release of the Software for use in a particular operating environment which supersedes the Software. A Subsequent Release is offered and expressly designated by Contractor as a replacement to a specified Software product. A Subsequent Release will be supported by Contractor in accordance with the terms of this Software Maintenance Attachment. Multiple Subsequent Releases may be supported by Contractor at any given time.
Support Services	The Software support service required under this Maintenance Agreement. Support Services include correcting an Error, Defect or Malfunction; providing telephone and/or online support concerning the installation and use of the Software; training in the installation and use of the Software; on-site consulting and application development services; detection, warning and correction of viruses; and disabled/disabling code.
Upgrade	Either an enhancement to the Software code to add new features or functions to the system or software programming revisions containing corrections to Errors, Defects and Malfunctions that have been reported by users or discovered by the Contractor.

Warranty Period

A period commencing with the installation of the Software product during which reported Errors, Defects and Malfunctions for Software products are corrected without charge in accordance with the provisions below.

Workaround

A change in the procedures followed or end user operation of the software to avoid an Error, Defect or Malfunction without significantly impairing functionality or degrading the use of the Software.

Whenever the words “as directed,” “as required,” “as permitted,” or words of like effect are used, it shall be understood as the direction, requirement, or permission of the SFMTA. The words “sufficient,” “necessary,” or “proper,” and the like, mean sufficient, necessary or proper in the judgment of the SFMTA, unless otherwise indicated by the context.

2. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City’s Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City’s obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor’s assumption of risk of possible non-appropriation is part of the consideration of this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

3. Term of the Agreement

a. **Term of License.** Subject to Section 5, the license granted under this Agreement shall commence upon acceptance of the Licensed Software and shall continue in perpetuity unless sooner terminated in accordance with the provisions of this Agreement.

b. **Term of Maintenance.** Subject to Section 2, the term of the Maintenance and Support under this Agreement shall be from the Effective Date of this Agreement through April 1, 2019, with two one-year options to extend at the City’s sole and absolute discretion.

c. **Term of Implementation and Training Service.** Subject to Section 2, the term of the implementation and training services detailed in this Agreement and Appendix A shall be from the Effective Date of this Agreement to April 1, 2019, provided City, at its sole discretion, has issued to Contractor a Notice to Proceed in the form of a purchase order which clearly identifies the Implementation Services that City is requesting Contractor to perform based on rates established in Appendix B (Calculation of Charges).

4. Effective Date of the Agreement. This Agreement shall become effective when the Controller has certified to the availability of funds and Contractor has been notified in writing.

5. License

a. **Grant of License.** Subject to the terms and conditions of this Agreement, Contractor grants City a non-exclusive and non-transferable perpetual license to use the Licensed Software at all locations owned or controlled by City. City acknowledges and agrees that the Licensed Software is the proprietary information of Contractor and that this Agreement grants City no title or right of ownership in the Licensed Software.

b. **Restrictions on Use.** City is authorized to use the Licensed Software only for City's municipal purposes. City agrees that it will, through its best efforts, not use or permit the Licensed Software to be used in any manner, whether directly or indirectly, that would enable any other person or entity to use the Licensed Software on other than the Designated Site.

c. **Transfer of Products.** City may move the Licensed Software and supporting materials to another City site which physically replaces the original installation site. City shall provide notice of such transfer to Contractor without delay.

d. **Documentation.** Contractor shall provide City with the Licensed Software specified in Appendix A, and a minimum of two copies of the Documentation per installation. Contractor grants to City permission to duplicate all printed Documentation for City's municipal use.

e. **Proprietary Markings.** City agrees not to remove or destroy any proprietary markings or proprietary legends placed upon or contained within the Licensed Software or any related materials or Documentation.

f. **Authorized Modification.** City shall also be permitted to develop, use and modify Application Program Interfaces (API's), macros and user interfaces. For purposes of this Agreement, such development shall be deemed an authorized modification. Any such APIs, macros or other interfaces developed by the City shall become the property of the City.

Licensor has no general objection to the City's use of third party programs in conjunction with the software licensed under this Agreement, provided however that Licensor's warranty obligations shall be limited to the Licensed Software in such circumstances, and shall not extend to any third party programs used in conjunction with the Licensed Software. Licensor recognizes that City has and will license third party programs that City will use with Licensor's products. Based on information provided to Licensor as of the effective date, Contractor agrees that such use does not constitute an unauthorized modification or violate the licenses granted under this Agreement.

g. **Other Deliverables.** Contractor grants City a perpetual, non-exclusive, non-transferable license to use, retain, and reproduce at all locations controlled by SFMTA, for internal use only, all copies (whether in hard copy or electronic format) of drawings, plans, specifications, schematics, studies, reports, memoranda, computation sheets and all other documents that are (i) prepared by Contractor or its subcontractors or suppliers (but not exclusively for City); and (ii) required to be provided to City in connection with this Agreement. Contractor hereby warrants that it has title to and/or the authority to grant a license of such deliverables to the City.

6. Delivery and Installation.

a. Delivery and installation shall be made pursuant to Appendix A.

b. **Risk of Loss.** If any of the Licensed Software products are lost or damaged before installation is completed, Contractor shall promptly replace such products, including the replacement of program storage media if necessary, at no additional charge to the City. If any of the Licensed Software products are lost or damaged while in the possession of the City, Contractor will promptly replace such products without charge, except for program storage media, unless supplied by the City.

7. Services Contractor Agrees to Perform. The Contractor agrees to perform the services provided for in Appendix A, "Services to be provided by Contractor," attached hereto and incorporated by reference as though fully set forth herein.

8. Acceptance Testing. After Contractor has installed the Licensed Software, the City shall have up to 10 business days ("Acceptance Testing Period") from the date of installation to verify that the Licensed software substantially performs to the specifications contained in the Documentation. In the event that the City determines that the Licensed Software does not meet such specifications, the City shall notify the Contractor in writing, and Contractor shall modify or correct the Licensed Software so that it satisfies the Acceptance criteria. The date of Acceptance will be that date upon which City provides Contractor with written notice of satisfactory completion of Acceptance testing. If City notifies Contractor after the Acceptance Testing Period that the Licensed Software does not meet the Acceptance criteria of this section, then City shall be entitled to terminate this License in accordance with the procedures specified in Section 30(b) herein, and shall be entitled to a full refund of the license fee.

9. Training Services. At the sole discretion and option of City, Contractor will provide training services in accordance with Appendices A and B.

10. Contractor's Default. Failure or refusal of Contractor to perform or do any act herein required shall constitute a default. On and after any event of default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement upon ten days written notice or to seek specific performance of all or any part of this Agreement. Such termination does not waive any other legal remedies available to City. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any event of default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such event of default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

11. Maintenance and Support

a. Scope of Service Coverage.

1) Contractor shall provide Support Services and provide Upgrades during the term of this Maintenance Agreement for the Software.

2) During the term of this Maintenance Agreement, Contractor will furnish Error, Defect or Malfunction correction in accordance with the Priority Categories listed below, based on the City's determination of the severity of the Error, Defect or Malfunction and Contractor's reasonable analysis of the priority of the Error, Defect or Malfunction.

- a) Priority 1: An Error, Defect or Malfunction which renders the Software inoperative; or causes the Software to fail catastrophically.
- b) Priority 2: An Error, Defect or Malfunction which substantially degrades the performance of the Software, but does not prohibit the City's use of the Software.
- c) Priority 3: An Error, Defect or Malfunction which causes only a minor impact on the use of the Software.

3) Contractor will furnish Error, Defect or Malfunction correction in accordance with the following protocols:

a) Priority 1 Protocol: Within two hours, Contractor assigns a product technical specialist(s) to diagnose and correct the Error, Defect or Malfunction; thereafter, Contractor shall provide ongoing communication about the status of the correction; shall proceed to immediately provide a Fix, a Patch or a Workaround; and exercise all commercially reasonable efforts to include a Fix or Patch for the Error, Defect or Malfunction in the next Subsequent Release. Contractor will escalate resolution of the problem to personnel with successively higher levels of technical expertise until the Error, Defect or Malfunction is corrected.

b) Priority 2 Protocol: Within four hours, Contractor assigns a product technical specialist(s) to diagnose the Error, Defect or Malfunction and to commence correction of the Error, Defect or Malfunction; to immediately provide a Workaround; to provide escalation procedures as reasonably determined by Contractor's staff; and to exercise all commercially reasonable efforts to include a Fix or Patch for the Error, Defect or Malfunction in the next Software maintenance release.

c) Priority 3 Protocol: Contractor may include a Fix or Patch in the next Software major release.

b. **Hotline Support.** Contractor shall provide remote access hotline support to City to help City answer routine questions with respect to the use of the Software. Contractor also shall provide remote access hotline support to City to initiate resolution of Priority 1 and Priority 2 Errors, Defects and Malfunctions. Hotline support shall be made available by phone between the hours of 8 a.m. and 5 p.m. Pacific time Monday through Friday, except legal holidays. Hotline support shall be available by electronic bulletin board, electronic mail or other service 24-hours a day, seven-days a week. Responses to questions posted by electronic means will be made within the time frame established under Priority Protocols for an Error, Defect or Malfunction in a Software Product.

c. **City Responsibilities Related to Support.** City shall use reasonable efforts to make available to Contractor reasonable access to the equipment on which City experienced the Error, Defect or Malfunction, the Software Product and all relevant documentation and records. City shall also provide reasonable assistance to Contractor, including sample output and diagnostic information, in order to assist Contractor in providing Support Services. City shall be responsible for the interface between the Software and other software products installed on City equipment. Unless otherwise agreed in writing between City and Contractor, City is responsible for installing, managing and operating any Software delivered under this Maintenance Agreement.

d. **Changes in Operating System.** If City desires to obtain a version of the Licensed Software that operates under an operating system not specified in the Authorization

Document, Contractor will provide City with the appropriate version of the Licensed Software, if available, on a 90-day trial basis without additional charge, provided City has paid all maintenance and support charges then due. At the end of the 90-day trial period, City must elect one of the following three options: (i) City may retain and continue the old version of the Licensed Software, return the new version to Contractor and continue to pay the applicable rental or license fee and maintenance charges for the old version; (ii) City may retain and use the new version of the Licensed Software and return the old version to Contractor, provided City pays Contractor the applicable rental or license fee and maintenance charges for the new version of the Licensed Software; or (iii) City may retain and use both versions of the Products, provided City pays Contractor the applicable rental or license fee and maintenance charges for both versions of the Licensed Software. City will promptly issue the necessary Authorization Document(s) to accomplish the above.

e. **Charges for Subsequent Years.** For each year after the period for which periodic payments are payable, or each year after the first year of the lump sum payment license, as the case may be, Contractor will continue to provide City with the maintenance and support services as described in subsection A above, provided City issues a purchase order or modification to this License Agreement and pays Contractor in advance the annual maintenance and support charges then in effect. If there is an increase in annual maintenance and support charges, Contractor shall give City written notice of such increase at least 30 days prior to the expiration of the applicable maintenance period. Annual maintenance and support charges shall not increase more than **3 %** of the rate of the year immediately prior to such increase. Contractor will make maintenance and support services available to City for a minimum of **10** years, provided (i) City is paying applicable maintenance and support charges to Contractor, and (ii) the maintenance and support services are eligible under the Contractor's Technical Support and Support Lifecycle Policies as they may be amended by agreement of the Parties.

f. City acknowledges and agree that terms and conditions of the KnowledgeLake Technical Support Policy attached as Appendix C (as it may be amended by agreement of the Parties) shall be applicable to Sections 11 a-e above.

12. Warranties

a. **Right to Grant License.** Contractor hereby warrants that it has title to and/or the authority to grant a license of the Licensed Software to the City.

b. **Warranty of Performance.** Contractor hereby warrants that when fully implemented, the Licensed Software, including all updates and upgrades shall perform in accordance with the Documentation.

c. **Warranty of Authority; No Conflict.** Each party hereby warrants to the other that it is authorized to enter into this Agreement and that its performance thereof will not conflict with any other agreement.

d. **Conformity to Specifications.** Contractor warrants that when the Licensed Software specified in the Authorization Document and all updates and improvements to the Licensed Software are delivered to City, they will be free from defects as to design, material, and workmanship and will perform on the Designated CPU in accordance with the Contractor's published specifications for the Licensed Software for a period of 270 days from City's Acceptance of such Licensed Software.

e. **EXCEPT AS EXPRESSLY INDICATED IN THIS AGREEMENT AND SUBJECT TO ANY STATUTORY WARRANTIES WHICH CANNOT BE EXCLUDED,**

CONTRACTOR MAKES NO OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE LICENSED SOFTWARE OR SERVICE, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND OR FITNESS FOR A PARTICULAR PURPOSE.

13. Infringement Indemnification. If notified promptly in writing of any judicial action brought against City based on an allegation that City's use of the Licensed Software infringes a patent, copyright, or any right of a third party or constitutes misuse or misappropriation of a trade secret or any other right in intellectual property (Infringement), Contractor will hold City harmless and defend such action at its own expense. Contractor will pay the costs and damages awarded in any such action or the cost of settling such action, provided that Contractor shall have sole control of the defense of any such action and all negotiations or its settlement or compromise. If notified promptly in writing of any informal claim (other than a judicial action) brought against City based on an allegation that City's use of the Licensed Software constitutes Infringement, Contractor will pay the costs associated with resolving such claim and will pay the settlement amount (if any), provided that Contractor shall have sole control of the resolution of any such claim and all negotiations for its settlement.

In the event a final injunction is obtained against City's use of the Licensed Software by reason of Infringement, or in Contractor's opinion City's use of the Licensed Software is likely to become the subject of Infringement, Contractor may at its option and expense: (a) procure for City the right to continue to use the Licensed Software as contemplated hereunder, (b) replace the Licensed Software with a non-infringing, functionally equivalent substitute Licensed Software, or (c) suitably modify the Licensed Software to make its use hereunder non-infringing while retaining functional equivalency to the unmodified version of the Licensed Software. If none of these options is reasonably available to Contractor, then the applicable Authorization Document or relevant part of such Authorization Document may be terminated at the option of either party hereto and Contractor shall refund to City all amounts paid under this Agreement for the license of such infringing Licensed Software. Any unauthorized modification or attempted modification of the Licensed Software by City or any failure by City to implement any improvements or updates to the Licensed Software, as supplied by Contractor, shall void this indemnity unless City has obtained prior written authorization from Contractor permitting such modification, attempted modification or failure to implement. Contractor shall have no liability for any claim of Infringement based on City's use or combination of the Licensed Software with products or data of the type for which the Licensed Software was neither designed nor intended to be used.

Contractor's obligations under this Section 13 shall not extend to Unauthorized Uses by City. For purposes of this Section, the term "Unauthorized Uses" shall mean a use that is not consistent with the terms of this Agreement, and for which SFMTA has been given reasonable notice by Contractor that such use is not authorized.

14. Payment. Contractor shall provide an invoice to the SFMTA on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the SFMTA's designee, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed Three Million Three Hundred Eighty Eight Thousand Three Hundred Fifty Dollars (\$3,388,350). The breakdown of costs associated with this Agreement is provided for in Appendix B. No charges shall be incurred under this Agreement

for software licensing nor shall any payments become due to Contractor for software licensing until Licensed Software and services required under this Agreement are received from Contractor and approved by SFMTA as being in accordance with this Agreement. In no event shall City be liable for interest or late charges for any late payments.

15. Guaranteed Maximum Costs. The City's payment obligation to Contractor cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 45, "Entire Agreement; Modification" of this Agreement."

16. Payment; Invoice Format.

a. Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller, and must include a unique invoice number. All amounts paid by City to Contractor shall be subject to audit by City. Payment shall be made by City to Contractor at the address specified in the section entitled "Notices to the Parties." City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Maintenance Agreement.

b. All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through Paymode-X, the City's third party service that provides Automated Clearing House (ACH) payments. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit www.sfgov.org/ach. The following information is required to sign up: (i) The enroller must be their company's authorized financial representative, (ii) the company's legal name, main telephone number and all physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor), and (iv) the company's bank account information, including routing and account numbers.

17. Submitting False Claims. The full text of San Francisco Administrative Chapter 21, Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Pursuant to San Francisco Administrative Code §21.35, any contractor or subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

18. Taxes. Payment of any taxes, including possessory interest taxes, and California sales and use taxes, levied upon this Agreement, the transaction, or the services delivered pursuant hereto, shall be the obligation of Contractor.

19. Payment Does Not Imply Acceptance of Work. The granting of any payment by City, or the receipt thereof by Contractor, shall in no way lessen the liability of Contractor to replace unsatisfactory work, the Licensed Software, although the unsatisfactory character of such work, or Licensed Software may not have been apparent or detected at the time such payment was made. Software, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay.

20. Qualified Personnel. Work under this Maintenance Agreement shall be performed only by competent personnel under the supervision of and in the employment of Contractor. Contractor will comply with City's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall assign adequate personnel resources to allow timely completion within the project schedule and provide the level of service within the response times specified in this Agreement.

Contractor shall provide the following resources:

- Engagement Manager
- Project Manager
- Technical Architect
- Records Management Consultant
- Technical Special

21. Responsibility for Equipment. City shall not be responsible for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or by any of its employees, even though such equipment be furnished, rented or loaned to Contractor by City. The acceptance or use of such equipment by Contractor or any of its employees means that Contractor accepts full responsibility for and agrees to exonerate, indemnify, defend and save harmless City from and against any and all claims for any damage or injury of any type arising from the use, misuse or failure of such equipment, whether such damage be to Contractor, its employees, City employees or third parties, or to property belonging to any of the above.

22. Independent Contractor; Payment of Taxes and Other Expenses

a. Independent Contractor. For the purposes of this Section 22, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not

limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

b. **Payment of Taxes and Other Expenses.** Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to the preceding two paragraphs shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorney's fees, arising from this section.

23. Insurance

a. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

- 1) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and
- 2) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

3) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each accident, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

4) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Services.

5) Technology Errors and Omissions Liability coverage, with limits of \$1,000,000 each claim and each loss, and \$2,000,000 general aggregate. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of services defined in the contract and shall also provide coverage for the following risks:

a) Liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form;

b) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks;

c) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to the City's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon and

d) In the event contractor's coverage for Technology Errors and Omissions Liability does not include coverage for claims listed under section 23(a)(5)A) Contractor shall maintain in force during the full life of the agreement Cyber and Privacy Insurance that does provide coverage for such claims with limits of not less than \$1,000,000 per claim and \$2,000,000 general aggregate.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought

c. All policies shall be endorsed to provide 30 days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address in the "Notices to the Parties" section. All notices, certificates and endorsements shall include the SFMTA contract number and title on the cover page.

d. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

e. Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives

satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

f. Before commencing any operations under this Agreement, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

g. The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

h. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

i. If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

24. Indemnification and General Liability. Contractor indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

25. Incidental and Consequential Damages. Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions.

26. Liability of the Parties

a. Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 14 (PAYMENT) OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

b. Liability of Contractor. CONTRACTOR'S MAXIMUM AGGREGATE LIABILITY TO THE CITY UNDER THIS AGREEMENT, INCLUDING INCIDENTAL AND CONSEQUENTIAL DAMAGES, SHALL NOT EXCEED THE CONTRACT AMOUNT THIS LIMIT OF LIABILITY SHALL NOT, HOWEVER, APPLY TO, LIMIT OR PRECLUDE: (A) DAMAGES CAUSED BY CONTRACTOR'S GROSS NEGLIGENCE, RECKLESS CONDUCT, WILLFUL ACTS OR AOMISSIONS, FRAUD OR ILLEGAL OR UNLAWFUL ACTS; (B) CONTRACTOR'S OBLIGATIONS TO INDEMNIFY AND DEFEND THE CITY AND OTHER INDEMNIFIED PARTIES AS SET FORTH IN SECTION 24 OF THIS AGREEMENT; (C) CONTRACTOR'S LIABILITY FOR ANY TYPE OF DAMAGE TO THE EXTENT SUCH DAMAGE IS REQUIRED TO BE COVERED BY INSURANCE AS SPECIFIED IN THE CONTRACT; (D) WRONGFUL DEATH CAUSED BY CONTRACTOR; (E) PUNITIVE DAMAGES; AND (G) CONTRACTOR'S LIABILITY FOR STATUTORY DAMAGES IMPOSED BY THE CITY UPON CONTRACTOR UNDER THE CITY ORDINANCES AND MUNICIPAL CODES SPECIFIED IN THE CONTRACT DOCUMENTS. SAID LIMIT TO CONTRACTOR'S LIABILITY SHALL APPLY ONLY TO CLAIMS BROUGHT BY THE CITY; SAID LIMITATION OF LIABILITY SHALL NOT LIMIT CONTRACTOR'S OBLIGATIONS TO INDEMNIFY AND DEFEND THE CITY AGAINST ANY CLAIMS BROUGHT BY ANY THIRD PARTY, INCLUDING BUT NOT LIMITED TO CLAIMS BASED IN TORT, CONTRACT OR INTELLECTUAL PROPERTY (I.E., COPYRIGHT, TRADEMARK AND PATENT) INFRINGEMENT, AS PROVIDED IN SECTIONS 13 AND 24, ABOVE.

27. Nondisclosure. Subject to the San Francisco Administrative Code §67.24(e) and to any state open records or freedom of information statutes, and any other applicable laws, City agrees that it shall treat the Licensed Software with the same degree of care as it treats like information of its own, which it does not wish to disclose to the public, from the date the Licensed Software is Accepted by the City until the license is terminated as provided herein. The obligations of the City set forth above, however, shall not apply to the Licensed Software, or any portion thereof, which:

- a. is now or hereafter becomes publicly known;
- b. is disclosed to the City by a third party which the City has no reason to believe is not legally entitled to disclose such information;
- c. is known to the City prior to its receipt of the Licensed Software;
- d. is subsequently developed by the City independently of any disclosures made hereunder by Contractor;
- e. is disclosed with Contractor's prior written consent;
- f. is disclosed by Contractor to a third party without similar restrictions.

28. Proprietary or Confidential Information of City. In the performance of Services, Contractor may have access to City's proprietary or confidential information, the disclosure of which to third parties may damage City. If City discloses proprietary or confidential information to Contractor, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or confidential information except to the extent that a higher standard is imposed under the Statement of Work attached to this Agreement as Exhibit A.

29. Protection of Private Information. Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. Contractor agrees that any failure of Contractor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Contractor.

30. Termination

a. **Basis for Termination by City.** City shall have the right, without further obligation or liability to Contractor (except as specified in Sections 29 (Protection of Private Information) and 30(d) (Disposition of Licensed Software on Termination) hereof): (i) to immediately terminate this Agreement or the applicable Authorization Document if Contractor commits any breach of this Agreement and fails to remedy such breach within thirty (30) days after written notice by City of such breach, in which event, Contractor shall reimburse City in the same manner as for the removal of the Licensed Software due to infringement under Section 13; or (ii) to terminate this Agreement or the applicable Authorization Document upon ninety (90) days prior written notice for any reason if the license granted hereunder is for any term other than perpetual. In the event the license granted is perpetual, termination of this Agreement or the applicable Authorization Document by City shall be effective upon receipt by Contractor of written notice of said termination.

b. **Termination for Convenience.** City may terminate this Agreement for City's convenience and without cause at any time by giving Contractor thirty days written notice of such termination. In the event of such termination, Contractor will be paid for those services performed, pursuant to this Agreement, to the satisfaction of the City up to the date of termination. In no event will City be liable for costs incurred by Contractor after receipt of a notice of termination. Such non-recoverable costs include, but are not limited to, anticipated profits on this Agreement, post-termination employee salaries, post-termination administrative expenses, or any other cost which is not reasonable or authorized under this section. This section shall not prevent Contractor from recovering costs necessarily incurred in discontinuing further work under the contract after receipt of the termination notice.

c. **Disposition of Licensed Software on Termination.** Upon the expiration or termination of this Agreement or an applicable Authorization Document for any reason other than as provided for in Section 5(a) (Grant of License), City shall immediately: (i) return the Licensed Software to Contractor together with all Documentation; (ii) purge all copies of the Licensed Software or any portion thereof from all CPU's and from any computer storage medium or device on which City has placed or permitted others to place the Licensed Software; and (iii)

give Contractor written certification that through its best efforts and to the best of its knowledge, City has complied with all of its obligations under Section 30(c).

d. **Rights and Duties Upon Termination or Expiration.** This Section and the following Sections of the Agreement shall survive termination or expiration of this Agreement:

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| 13. Infringement Indemnification. | 28. Proprietary or Confidential Information of City |
| 17. Submitting False Claims; Monetary Penalties. | 29. Protection of Private Information. |
| 18. Taxes | 33. Subcontracting |
| 19. Payment Does Not Imply Acceptance of Work. | 34. Assignment |
| 21. Responsibility for Equipment | 38. Non-Waiver of Rights. |
| 22. Independent Contractor; Payment of Taxes and Other Expenses | 39. Audit and Inspection of Records. |
| 23. Insurance | 42. Dispute Resolution; Government Claim. |
| 24. Indemnification and General Liability. | 43. Agreement Made in California; Venue. |
| 25. Incidental and Consequential Damages. | 44. Construction. |
| 26. Liability of City. | 45. Entire Agreement; Modifications. |
| 27. Nondisclosure | |

Subject to the immediately preceding sentence, upon termination of this Agreement prior to expiration of the term specified in Section 3, this Agreement shall terminate and be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if the Agreement had been completed, would have been required to be furnished to the City. This subsection shall survive termination of this Agreement.

31. Notices to the Parties. Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, and e-mail, and shall be addressed as follows:

To City: Alexiy Sukhenko
SFMTA Project Manager
One South Van Ness, 8th Floor
San Francisco, Ca 94103
Phone: 415-701-5478

To Contractor: Bernie Schweiss, President
KnowledgeLake, Inc.
6 CityPlace Drive
Saint Louis, Mo 63141
Phone 314-898-0500

Either party may change the address to which notice is to be sent by giving written notice thereof

to the other party. If e-mail notification is used, the sender must specify a Receipt notice. Any notice of default must be sent by registered mail.

32. Bankruptcy. In the event that either party shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Code or any other statute of any state relating to insolvency or the protection of rights of creditors, then at the option of the other party this Agreement shall terminate and be of no further force and effect.

33. Subcontracting. Contractor may subcontract portions of the Services only upon prior written approval of City. Contractor is responsible for its subcontractors throughout the course of the work required to perform the Services. All Subcontracts must incorporate the terms of Section 40 "Additional Requirements Incorporated by Reference" of this Agreement, unless inapplicable. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made in violation of this provision shall confer no rights on any party and shall be null and void. City's execution of this Agreement constitutes its approval of the subcontractors listed below.

- DSU Discovery
- RecordLion, Inc.

34. Assignment. The services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by the Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement. Any purported assignment made in violation of this provision shall be null and void.

35. Compliance with Americans with Disabilities Act. Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

36. Sunshine Ordinance. In accordance with San Francisco Administrative Code Section 67.24(e), contracts, contractors' bids, responses to requests for proposals and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

37. Limitations on Contributions. By executing this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months

after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

38. Non-Waiver of Rights. The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

39. Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Maintenance Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Maintenance Agreement, whether funded in whole or in part under this Maintenance Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not fewer than five years after final payment under this Maintenance Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject of this Maintenance Agreement shall have the same rights conferred upon City by this Section.

40. Additional Requirements Incorporated by Reference. The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement ("Mandatory City Requirements") are available at www.sfgov.org under "Government."

a. **Conflict of Interest.** By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

b. **Prohibition on Use of Public Funds for Political Activity.** In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

c. **Nondiscrimination Requirements**

1) **Non Discrimination in Contracts.** Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

2) **Nondiscrimination in the Provision of Employee Benefits.** San Francisco Administrative Code 12B.2. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

d. **Local Business Enterprise and Non-Discrimination in Contracting Ordinance.** Contractor shall comply with all applicable provisions of Chapter 14B (“LBE Ordinance”). Contractor is subject to the enforcement and penalty provisions in Chapter 14B. Contractor shall utilize LBE Subcontractors for at least 22% of the Services except as otherwise authorized in writing by the Director of CMD. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor’s LBE subcontracting commitments.

e. **Minimum Compensation Ordinance.** Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. By signing and executing this Agreement, Contractor certifies that it is in compliance with Chapter 12P.

f. **Health Care Accountability Ordinance.** Contractor shall comply with San Francisco Administrative Code Chapter 12Q. Contractor shall choose and perform one of the Health Care Accountability options set forth in San Francisco Administrative Code Chapter 12Q.3. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q.

g. **First Source Hiring Program.** Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

h. **Alcohol and Drug-Free Workplace.** City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City’s ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

i. **Consideration of Criminal History in Hiring and Employment Decisions.**

1) Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T, "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code ("Chapter 12T"), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

2) The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

j. Food Service Waste Reduction Requirements. Contractor shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the remedies for noncompliance provided therein.

41. Compliance with Americans with Disabilities Act. Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement. Contractor shall adhere to the requirements of the Americans with Disabilities Act of 1990 (ADA), as amended (42 U.S.C. Sec. 1201 et seq.) and Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d).

42. Dispute Resolution; Government Claims.

a. Dispute Resolution. City and Contractor agree to exercise their best efforts, and to negotiate in good faith, to amicably resolve any dispute that may arise concerning the performance by either party of their obligations under this Agreement. If City's and Contractor's Project Managers cannot resolve disputes through such negotiations, then the Parties will escalate the dispute to their respective executives who shall have authority to settle the controversy and who are at a higher level of management than the Project Managers. Either City or Contractor may give the other party written notice of any dispute not resolved by good faith negotiations between the Parties' respective Project Managers.

Within 15 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include (a) a statement of that party's

position and a summary of arguments supporting that position, and (b) the name and title of the executive who will represent that party and of any other person who will accompany the executive. Within 15 days the initiating party shall provide the same information to the responding party. Within 30 days after delivery of the initial notice, the executives of both parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. All reasonable requests for information made by one party to the other will be honored. To the extent permitted by law, all negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

If the executives cannot resolve the dispute to the satisfaction of both Parties, then City and Contractor may attempt to mutually agree on the conditions under which such unresolved disputes can be referred to mediation or non-binding arbitration. If the parties do not mutually agree to mediation or non-binding arbitration, or mutually select a mediator or arbitrator for the dispute, or such efforts do not resolve the dispute, then either party may pursue any remedy available under California law.

b. **Government Code Claims.** No suit for money or damages may be brought against the City until a written claim therefore has been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the Government Code Claim requirements set forth in Administrative Code Chapter 10 and Government Code Section 900, et seq.

43. Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

44. Construction. All section headings contained herein are for convenience and reference only and are not intended to define or limit the scope of any provision of this Agreement.

45. Entire Agreement; Modifications. The Agreement, together with the Appendices and/or Exhibits hereto, constitutes the entire Agreement between the parties and this Agreement may not be modified, nor may any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement. All agreements between the parties are included herein and no promises or statements have been made by either party unless endorsed hereon in writing. No change or waiver of any provisions hereof shall be valid unless made in writing with the consent of both parties and executed in the same manner as this Agreement. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable. Subject to the specific provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

46. Compliance with Laws. Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and regulations of the City and of all state, and federal laws in any manner

affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws.

47. Force Majeure. Contractor shall not be liable for failure to maintain Software when such failures are due to causes beyond its reasonable control, such as acts of God, acts of civil or military authority, fires, strikes, floods, epidemics, quarantine, war, riot, delays in transportation, care shortages, and inability due to causes beyond its reasonable control to obtain necessary labor, materials or manufacturing facilities, and in such event Contractor shall perform as soon as such cause is removed.

48. Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

49. Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

50. MacBride Principles—Northern Ireland. Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Contractor acknowledges and agrees that he or she has read and understood this section.

51. Large Vehicle Driver Safety Training Requirements.

a. Contractor agrees that before any of its employees and subcontractors drive large vehicles within the City and County of San Francisco, those employees and subcontractors shall successfully complete either (a) the SFMTA's Large Vehicle Urban Driving Safety training program or (b) a training program that meets the SFMTA's approved standards for large vehicle urban driving safety. The SFMTA's approved standards for large vehicle urban driving safety is available for download at www.SFMTA.com/largevehicletrainingstandards. This requirement does not apply to drivers providing delivery services who are not employees or subcontractors of the Contractor. For purposes of this section, "large vehicle" means any single vehicle or combination of vehicle and trailer with an unladen weight of 10,000 pounds or more, or a van designed to carry 10 or more people.

b. By entering into this Agreement, Contractor agrees that in the event the Contractor fails to comply with the Large Vehicle Driver Safety Training Requirements, the City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of up to One Thousand Dollars (\$1,000) per employee or subcontractor who is permitted to drive a large vehicle in violation of these requirements is not a penalty, but is a reasonable estimate of the loss that City will incur based on the Contractor's failure to comply with this requirement, established in light of the circumstances existing at the time this Contract was awarded. City may deduct a sum representing the liquidated damages

from any money due to Contractor. Such deductions shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

CITY

San Francisco Municipal Transportation Agency

CONTRACTOR

KnowledgeLake Inc.

Edward D. Reiskin
Director of Transportation

AUTHORIZED BY:

MUNICIPAL TRANSPORTATION
AGENCY BOARD OF DIRECTORS

Resolution No: _____

Adopted: _____

Attest: _____
Roberta Boomer, Secretary

Bernie Schweiss, COO
KnowledgeLake, Inc.
6 CityPlace Drive
Saint Louis, Mo 63141

Acknowledgement of Large Vehicle Driver
Safety Training Requirements:

By signing this Agreement, Contractor acknowledges that it has read and understands Article 13: Large Vehicle Driver Safety Training Requirements.

City vendor number: **[vendor number]**

Approved as to Form:

Dennis J. Herrera
City Attorney

By: _____
David A. Greenburg
Deputy City Attorney

Appendices

- A: Services to be provided by Contractor
- B: Calculation of Charges
- C: KnowledgeLake Technical Support Policy
- D: KnowledgeLake Support Lifecycle Policy

Appendix A

Statement of Work: Digitization, Archiving and Digital Documents Management System

Table of Contents

I. GENERAL REQUIREMENTS.....	38
A. Overview.....	38
B. Record Formats.....	38
C. Implementation Steps.....	38
D. Descriptions of Project Phases.....	39
II. ADMINISTRATIVE REQUIREMENTS	40
A. General Support	40
B. SFMTA Support.....	41
III. SERVICE SPECIFICATIONS.....	42
A. Record Retention and Destruction Policy.....	42
B. Confidentiality and Security	43
C. General Requirements	43
D. Maintenance, Repair and Restore Processes	44
E. Digitization of Documents	44
IV. DIGITAL DOCUMENTS MANAGEMENT SYSTEM (DDMS)	46
V. INTEGRATION SOLUTION	46
A. Software License.....	46
B. General Specifications	46
C. Documentation.....	47
D. Integration Solution Naming Convention.....	47
VI. BACKLOG SCANNING	47
C. Optional Backlog Scanning Services.....	48

TERMS AND ABBREVIATIONS

The following definitions apply to the Specifications:

<u>Term or Acronym</u>	<u>Definition</u>
Administrators	Staff with authorization to maintain and make updates to the DDMS after training from Contractor.
Business Day	Monday through Friday, 8:00 a.m. to 5:00 p.m., excluding City holidays.
City	The City and County of San Francisco.
Computer Based Training (CBT)	Course of instruction provided by Contractor via computer.
Content Management	The SFMTA's current standard for Content Management is Microsoft SharePoint 2013.
Contractor	KnowledgeLake Inc.
Digital Documents Management System (DDMS)	Software system used for electronic Document retention, including digital scanning and content management.
Disaster Recovery (DR)	A set of policies and procedures to enable the recovery or continuation of vital technology infrastructure and systems following a natural or human-induced disaster.
Document or Record	Written material, including plans, diagrams and photographs that the Agency creates in the course of doing work.
Effective Date	The date of certification of the contract, as evidenced by a notice to proceed letter issued from SFMTA to the selected Contractor.
Enterprise Content Management (ECM)	A formalized means of organizing and storing an organization's Documents and other content that relates to the organization's processes.
File Plan	A comprehensive outline for how records will be organized (classification, retention, permissions, settings, etc.). The File Plan is based on SFMTA's Retention Policy.
FIT	Finance and Information Technology division of the SFMTA.
Functional Design Document (FDD)	Contractor-created Document outlining system configuration information and Taxonomy.
Go/No-Go Decision	Determination to proceed with an activity such as production, after solution conforms to defined specifications per Statement of Work.

<u>Term or Acronym</u>	<u>Definition</u>
Integration Solution	System that will allow scanned digital Documents to be entered into SFMTA's content management systems with corresponding meta data, versioning, etc. applied to digital Documents.
IT	SFMTA's information technology division.
KnowledgeLake Capture	An application that enables Users to scan paper Documents in a variety of formats and store in SharePoint.
KnowledgeLake Capture Server Pro	A server-based product that manages the processing of a Document from ingestion to SharePoint. The application supports offloading of processing from a desktop client, web indexing, full text searchable PDF conversion, image processing, file names based on Metadata values, and supports multiple repositories/sites.
KnowledgeLake Connect	An application that enables end users to rapidly upload, manage, search, view, collaborate and explore all SharePoint content directly from their Microsoft desktop.
KnowledgeLake Imaging	An Enterprise Content Management (ECM) solution for SharePoint that provides capabilities for searching, viewing, securing, routing and annotating electronic content.
KnowledgeLake License Server	An application that provides seamless, real-time management of your KnowledgeLake product licensing information. It provides a view of product activation keys and license groups, product usage across your organization and allows management of product licenses.
KnowledgeLake Records Management	An application that is a comprehensive, end-to-end solution that enables organizations to efficiently manage the Lifecycle of all records throughout the enterprise by managing policies in support of SFMTA retention policies.
Lifecycle	A Lifecycle brings together the existing Triggers and Retentions to define what action should happen to an item at specific points in time. Each of these points in time is represented within a Lifecycle by a Phase. The Lifecycle will ensure an item is guided through the defined Phases carrying out each Action indicated by the Phase at the time specified by the Retention. Once a Lifecycle has been created, it can be assigned to any number of Record Classes. When an item is assigned to a Record Class, it will take on the associated Lifecycle.
Metadata	Provides information about a Document as it exists within the DDMS, such as where the Document is located within the system for retrieval or the type of document (e.g. contract, map).
Point of Contact	The designated contact person for each SFMTA department.

<u>Term or Acronym</u>	<u>Definition</u>
Preinstall Checklist	Contractor Document that lists system prerequisites prior to installation of the software.
Record Class or Category	A level in the hierarchical File Plan that contains records which have related activity and are linked via a parent/child relationship.
Record Format	Type and description of Document to be scanned and stored electronically.
Record Retention Policy	The SFMTA's protocol and schedule setting parameters for how long records must be retained in order to meet the legal, regulatory or operational requirements, including any updates or revisions thereto.
Retentions	A parameter of the File Plan that designates how long an electronic file will remain in the DDMS.
SFMTA or Agency	The San Francisco Municipal Transportation Agency.
SharePoint	SFMTA's content management system.
Sunshine Requests	Requests for public information or records made under or subject to the San Francisco Sunshine Ordinance (SF Admin. Code Ch. 67) or the California Public Records Act (Cal. Govt. Code §§6254 et seq.
Taxonomy	Process to determine the relationship a particular Document has to other Documents within the DDMS.
Technical Design Document (TDD)	Contractor-created Document outlining proposed physical architecture diagram, recommendations on IT Processes (Backups, High Availability, Disaster Recovery, SQL/SharePoint configurations) and recommendations on hardware procurement.
Trigger	A reusable parameter that defines the structure of how a retention period begins and serves as a building block for Retentions. There are four types of Triggers supported; Date Property Triggers, Event Triggers, Rule Triggers, and Special Triggers.
User	An SFMTA employee who is authorized to access the DDMS.
User Acceptance Testing (UAT)	A project phase that requires SFMTA Administrators to test the solution end to end to ensure go live readiness.

I. GENERAL REQUIREMENTS

A. Overview

Contractor shall assist the SFMTA in implementing electronic Document management systems and imaging services to facilitate SFMTA's goal of reducing paper consumption and to convert paper-based Document formats into digital images that are easily storable, searchable and retrievable for viewing and printing, either in part or in the Document's entirety as specified by the User.

Contractor shall assist the SFMTA in determining the preferred scanning methodology that supports SFMTA business processes and needs. SFMTA anticipates a phased approach to this project. Each phase represents anticipated tasks and milestones. Phases, tasks and milestones will be created, published and agreed upon by all involved parties during project kickoff weeks. The project plan will be updated throughout project lifecycle(s) to support changes for all divisions and departments included herein.

Contractor shall develop a four-year deployment strategy for the following seven divisions and their respective 45 departments. The SFMTA's divisions are:

1. Capital Programs and Construction
2. Finance and Information Technology
3. Human Resources
4. Sustainable Streets
5. System Safety
6. Taxi and Accessible Services
7. Transit

B. Record Formats

1. Record Format 1: Paper-based building plans of various sizes, including but not limited to 16"x24", 24"x36", 36"x42", and 36"x48".
2. Record Format 2: Standard letter-sized (8.5"x11"), legal sized (8.5"x14") and tabloid-sized (11"x17") Documents containing text and images

C. Implementation Steps

Contractor shall perform the following implementation steps for each new department within any SFMTA's division.

1. *Project management* – Contractor shall provide a central Point of Contact responsible for directing execution of the project(s), scope, schedule, budget, risk and change management, status meetings and reports.
2. *Architecture planning* – Contractor shall provide an architect who will be responsible for architecting, sizing and documenting the solution across all divisions.

3. *Taxonomy design* – Contractor shall meet with each department to understand their content and business processes. The information will be included in the design of the SharePoint Taxonomy.
4. *Records management* – Contractor shall provide a technical consultant to review SFMTA’s Retention Policy. The configuration of the Retention Policy will consist of a Record Class, Trigger, Retention and Lifecycle.
5. *Installation and configuration* – Contractor shall provide installation and configuration of two environments: non-production (test environment) and production. Contractor shall assign a Technical Specialist responsible for installations, configurations, knowledge transfer sessions, User Acceptance Testing (UAT) and activation of the digitization service in production environment. Contractor shall install and configure the following software:
 - a. KnowledgeLake Imaging
 - b. KnowledgeLake Capture Server Pro
 - c. KnowledgeLake Connect – initial install of 5 workstations and creation of package for additional deployments
 - d. KnowledgeLake Capture – initial install of 5 workstations and creation of package for additional deployments
 - e. KnowledgeLake Records Management
6. *Knowledge Transfer Training(s)* – Contractor shall provide the knowledge transfer to SFMTA’s IT.
7. *Records Management Training(s)* – Contractor shall provide training to designated SFMTA staff.
8. *User Acceptance Testing* – Contractor shall provide remote support for this phase. A Go/No-Go Decision will be made at the completion of each UAT.
9. *Production Go Live Support* – Contractor shall configure the production environment once a Go/No-Go Decision has been received. At this time, the SFMTA shall be able to begin processing Documents by using the production system.
10. *Transition to Support* – Upon go live, each department will be transitioned to Contractor’s first line of support for issues that arise once in production.
11. *Project Closing* – Contractor shall officially close the project and conduct a Lessons Learned Session. A project signoff sheet will be presented and executed ***within seven days***. The launch of the next project may not proceed without project acceptance and closing.

D. Descriptions of Project Phases

SFMTA may modify each phase, individual tasks, phase order and priorities within each phase/task during the contract term. Order of execution for each phase may not be consecutive and/or may occur simultaneously. The length of any phase extensions are subject

to SFMTA's approval.

Phase 1 – This phase incorporates implementation steps one thru six. Contractor shall assist the SFMTA with establishing DDMS parameters such as Document naming conventions and search criteria. Contractor shall provide SFMTA with hardware and software requirements. During this phase, the SFMTA will designate a single unit group within FIT to start implementing the digitization project. During this phase, SFMTA will provide Contractor with Document samples for both Format 1 and Format 2. Taxonomy, architecture and records management planning will be conducted in this phase as well as the informal knowledge transfer session.

Phase 2 – This phase incorporates implementation steps seven thru ten. Contractor shall begin digitizing Documents within the non-production environment. During this phase, Contractor shall perform UAT and verify DDMS software functionality and confirm functionality with the SFMTA's project manager. Contractor shall apply "lessons learned" to the overall approach to system development prior to involving other FIT departments and make a Go/No Go Decision to move into production. If UAT testing is successful, implementation steps eight thru ten shall apply. Otherwise, Contractor shall propose a plan to resolve the deficiencies before project can proceed further.

Phase 3 – Contractor shall begin the paper backlog scanning efforts and digitize the Documents for each department within the FIT division as they move into production.

Phase 4 – Contractor shall move scanned Documents to SFMTA's designated long-term storage facility. Contractor shall be responsible for disposal of paper versions of scanned Documents as directed by SFMTA in accordance with SFMTA's Record Retention and Destruction Policy.

Phase 5 – Contractor shall assist SFMTA in deploying the digitization solution throughout the Agency.

II. ADMINISTRATIVE REQUIREMENTS

A. General Support

Contractor shall provide digital copies of all the training and operating manuals to SFMTA ***within 30 days from NTP***. Contractor shall grant the SFMTA the rights to reproduce all training and operational manuals as needed for use by Users.

The overall system training shall consist of the following:

1. Onsite Training

- a) Contractor shall provide two formalized instructor-led training sessions based upon Contractor's four-day administration course for the KnowledgeLake product set (Imaging, Capture Server Pro, Capture, and Connect).
- b) Training shall be done at a location in San Francisco as determined by SFMTA for up to 14 students per session.
- c) Contractor shall provide training materials, including training course slides (PowerPoint), lab exercises (Word Documents), admin product guides (pdf), and

user product guides (pdf).

2. *Knowledge Transfer training*

- a) Prior to start of Phase 2, Contractor shall conduct an onsite informal knowledge transfer session in a train-the-trainer method.
- b) Training focus shall be to review the configured solution specific to the department and prepare the Administrators to test the system end to end.
- c) Contractor shall train up to five employees per department to access digitized Documents for the non-production environment.
- d) Training session shall be completed one week prior to the launch of the UAT phase.
- e) Contractor shall provide training for up to two days per department.
- f) Actual training dates shall be determined by the project plan.

3. *Records management training*

- a) Prior to start of Phase 2, Contractor shall conduct an onsite training session.
- b) Training focus shall be to ensure that the Records manager(s) understand the solution and are able to implement the Retention Policy as a File Plan within the Records Management System.
- c) Training shall be conducted during the same week as the Knowledge Transfer Training week for up to two days and five Users.
- d) Actual training dates shall be determined by the project plan (see Attachment 08) provided by the Contractor and approved by the SFMTA.

4. *Enhanced training*

Costs for enhanced training are listed in Appendix B.

- a) *Onsite (in San Francisco)* – For new employees, new departments, etc. Annually, Contractor shall provide SFMTA with up to four days of onsite training, with capacity for up to 14 Users per session. Contractor’s training team and a designee from SFMTA shall coordinate the curriculum and agenda for training.
- b) *Refresher training* – Contractor shall provide computer-based training options for Administrators and Users when requested by SFMTA.
- c) Contractor shall offer classroom training in KnowledgeLake’s main offices in St. Louis, MI.

B. SFMTA Support

1. Contractor shall provide a toll-free number that is available, at a minimum, between 8 AM and 5 PM PST/PDT, Monday through Friday except for official SFMTA holidays.
2. Contractor’s customer support staff shall respond to designated SFMTA administrative staff *within 24 hours* from the time of the request.

3. Contractor shall assist SFMTA staff in compiling scanned Documents upon SFMTA's request.
4. Contractor shall provide a 'help' prompt within the DDMS for use by the SFMTA's Users to explain how scanning and digitizing process works along with instructions on how to use the DDMS software. Contractor may also fulfill this requirement by providing a step by step Document tailored to each department's processes.

III. SERVICE SPECIFICATIONS

A. Record Retention and Destruction Policy

SFMTA's policy is to keep scanned paper records until their destruction is authorized under the Agency's Record Retention and Destruction Policy. SFMTA may direct Contractor to destroy records no longer required to be retained under the Record Retention Policy. In the event the Record Retention and Destruction Policy changes after implementation and requires modifications to the system, SFMTA may choose to update the electronic policy once SFMTA IT is properly trained. Contractor may be asked to make changes for SFMTA as budget allows.

Contractor shall provide training to Users on how to use its system and assist in fulfilling Sunshine Requests at no additional cost. Training for the KnowledgeLake Imaging software is included in the informal knowledge transfer session(s) and conducted during the UAT kickoff week.

Contractor shall implement a Records Management solution for up to twenty (20) Document types per department. Contractor shall train SFMTA on how to configure additional Document types.

Contractor shall complete the following steps as part of the Record's Management offering:

1. *Import/create Retention Policy* - Once the Retention Policy review is conducted during Phase 1, Contractor shall import SFMTA's existing Retention Policy or manually create the policy within the system (one per department)
2. *Installation and base configuration* –The base configuration includes the manual configuration of a Record Class, Trigger, Retention and Lifecycle per department. Administrators, with the assistance of the Contractor, shall create a test classification rule so that a small set of test files can be classified to the Record Class to ensure they move through the configured Lifecycle. Administrators, with the assistance of the Contractor, shall create one approval workflow for the configured Record Class per department.
3. *SharePoint connector crawl* - This is not a SharePoint crawl. This is an action performed by the Records Management SharePoint connector that crawls (traverses) the specified SharePoint location to gather information about all the Documents and their associated meta-data. This information is then stored in the Records Management database(s). A full crawl is performed once and then an incremental crawl is performed at a pre-defined interval.
4. *Record Retention management advanced configuration training* – The training goals are to:

- Understand the Retention Policy and how that imports into the File Plan
 - Understand how the Documents in SharePoint will map to the File Plan
 - Get a high level understanding of how the Triggers will work and if any business integrations are required.
5. *Finalize the Plan* - To finalize the File Plan, Contractor shall create and configure the following components:
- Record Classes
 - Classification rules
 - Triggers
 - Retentions
 - Lifecycles
 - Approver groups

B. Confidentiality and Security

1. Contractor shall ensure the confidentiality of all SFMTA information at all times. Contractor is prohibited from distributing the SFMTA's information to any third party without prior written approval from the SFMTA.
2. SFMTA information shall always remain on U.S. servers and data centers, with security measures ensuring that only authorized personnel and subcontractors access the data for project purposes only.
3. SFMTA will work with the Contractor to develop the appropriate security model as determined by SFMTA's SharePoint content management solution. SFMTA will be responsible for implementing this security model on the appropriate Document libraries using Active Directory security groups.
4. SFMTA will provide remote access for Contractor when working offsite.
5. Contractor shall ensure the security of SFMTA information and provide assurance that such security conforms to applicable local state and federal laws and the terms of the Agreement and any appended Nondisclosure Agreement.
6. At SFMTA's request, Contractor shall electronically wipe any electronic files containing SFMTA records from its computer systems, and certify that it has done so before final payment is issued.

C. General Requirements

Contractor shall ensure the following:

1. All scanned Documents shall be easily indexed and added to the SFMTA Content Management system from an employee's computer by using the KnowledgeLake Capture scan client.

2. Users shall be able to add any new Documents to the system without limitation. However, the system must be sized and scaled to have the ability to handle additional volume. Architecture planning will be conducted Phase I.
3. Users shall be able to track various versions of the same Document as it is being developed using versioning, utilizing the built in features of the SFMTA content management system, and shall be able to send out hyperlinks of any version to external parties.
4. As directed by the SFMTA, Contractor shall add watermarks and/or headers or footers for designations such as “Confidential,” “Attorney- Client Communication,” “Sensitive Security Information,” etc. at the time of backlog scanning.
5. As directed by the SFMTA, Contractor shall add watermarks on Documents by using a custom activity in KnowledgeLake CSPro and annotations can be placed on Documents using the KnowledgeLake Imaging application.
6. SFMTA staff shall have the ability to request that a specific Document be scanned at a minimum resolution of 200 dpi and in in color, if desired.
7. SFMTA will purchase the hardware and software required for the proposed system and have the operating systems installed on each server or workstation with the latest service packs. Contractor will review all servers and workstations to ensure SFMTA meets the minimum requirements (see attachment 09).
8. SFMTA is responsible for ensuring that ensure the SharePoint 2013 system is installed and operational prior to the installation of the KnowledgeLake products. Contractor will provide a pre-installation checklist that will outline the tasks that SFMTA needs to perform on the servers and workstations prior the installation of the KnowledgeLake software.
9. SFMTA is responsible for ensuring that all tasks on Contractor pre-installation checklist have been reviewed and completed prior to the date when Contractor will begin the product installations.

D. Maintenance, Repair and Restore Processes

To minimize disruption of service, Contractor shall:

1. Provide on-going preventive maintenance and response to software problems *within four hours* of being notified by SFMTA of any component failure between 8 AM and 5 PM PST/PDT Monday through Friday, except for official SFMTA holidays.

E. Digitization of Documents

Format 1: Contractor shall convert all of the SFMTA’s paper-based plans and drawings into digital images and create an index of all imaged Documents that is storable and retrievable through DDMS software product. Plans/drawings may vary in size, including 16”x24”, 24”x36”, 36”x42”, 36”x48”.

Format 2: Contractor shall convert all 8.5” x 11” (Letter), 8.5”x14” (Legal) and 11”x17” (Tabloid) Documents and reports consisting of text and images into digital images and

create and index all image Documents that are storable and retrievable through the DDMS software product.

The following work tasks shall be performed by Contractor and SFMTA in order to successfully complete backlog Document conversion.

Work tasks:

1. At the SFMTA's request, Contractor shall collect all media and Documents for scanning and imaging. After completion of scanning and imaging, Contractor must return all media and Documents to SFMTA's possession unless directed otherwise. SFMTA may direct Contractor to either return materials to the location from which they were received, move them to an SFMTA storage facility, or destroy them in accordance with the Record Retention and Destruction Policy. **Under no circumstances shall Contractor destroy or recycle any SFMTA Documents without the explicit instruction from designated SFMTA staff.** Contractor shall complete all Document preparation prior to beginning the digitizing process.
2. Contractor shall scan all paper Documents to digital imaging at 200 or 300 dpi (as determined by the SFMTA) with the exception of blue-line drawings, which Contractor shall scan using grayscale to produce a better quality image. The SFMTA will advise Contractor of the desired imaging resolution.
3. Contractor shall add a verbal or graphic bar scale to each page of each image scanned. Contractor can place a 2-inch sticker with ruler on oversize Documents prior to scanning to show scale.
4. Contractor shall add a cover page disclaimer for Documents that are damaged, and Documents where legibility is not sufficient per the SFMTA specifications. Examples of these types of Documents include but are not limited to the following: Documents with stains, tears, faint print, illegibility from a transparent double-sided Document, etc. Contractor shall populate a field named "Exception" that lists which issue exists and programmatically insert a cover page explaining exception.
5. Contractor shall provide a Document indexing and naming convention as approved by the SFMTA.
6. The Records management solution shall provide adequate quality controls to ensure adherence to SFMTA Document retention policies.
7. Contractor shall conduct review all electronically scanned and stored Documents to ensure that all specifications are being met. Contractor shall then notify the SFMTA via email that scanned documents are ready for review.
8. The SFMTA shall review scanned documents within 15 days of receipt and notify the Contractor via email that the scans are acceptable. Any scans not responded to by the 16th day after submittal will be deemed acceptable for billing purposes. Should the quality of the scanned documents be below contractually agreed standards, the Contractor shall re-scan the documents at no cost to the SFMTA, except for re-scans requested past the acceptance deadline.

IV. DIGITAL DOCUMENTS MANAGEMENT SYSTEM (DDMS)

Contractor shall comply with the following SFMTA standards for DDMS:

- SFMTA's standard for DDMS is Microsoft SharePoint 2013. The DDMS is maintained by SFMTA IT Staff. SFMTA is responsible for installation and configuration of SharePoint 2013.
- The DDMS will be made accessible from outside SFMTA network
- The SharePoint 2013 search service shall return the results by full or partial name string, Document title, or Document content. Searching by content requires conversion to searchable PDF. Timing for search results is dependent upon many factors: SharePoint Search Farm, server specifications, volume, and how the farm is architected.
- Contractor shall work with SFMTA to assist with scaling SharePoint.
- The DDMS shall use SharePoint 2013 as an archiving module for its solution.

V. INTEGRATION SOLUTION

Contractor shall use KnowledgeLake Imaging as its integration solution.

A. Software License

1. Contractor shall provide all necessary licensing to operate the system for the term of the Agreement.
2. The Contractor shall provide no limit on the number of machines, number of users, number of locations or size of CPU on which the SFMTA can operate the licensed software.
3. The Contractor shall provide licensing via the KnowledgeLake License Server. This software will be installed in a data center on the property of SFMTA. The KnowledgeLake License Server will receive approved license keys for authorized Users from Contractor.
4. The licensed software shall be compatible with but not limited to the following platforms: Microsoft Windows, and OS X (Mac OS).
5. The SFMTA shall have the right, at no additional cost, to operate simultaneously on, move, or upgrade the licensed software to other hardware platforms on which the licensed software may operate as long as the hardware meets the minimum specifications required by Contractor.
6. The SFMTA shall receive software updates at no additional cost during the software license period.

B. General Specifications

1. DDMS shall easily integrate with Users' current paper workflow (i.e. User will be able to upload new Documents to DDMS software application from individual workstation or remotely offsite via VPN)

2. Contractor's DDMS shall integrate seamlessly with SFMTA's Microsoft SharePoint 2013.
3. DDMS services shall be available in all SFMTA designated offices or locations.
4. DDMS shall allow User to perform Document file type conversion and manage the conversion process.
5. At the end of the contract, Contractor shall supply to the SFMTA any and all media including any back up media in its possession containing information belonging to the SFMTA.

C. Documentation

1. Contractor shall provide online manuals for each installed product.
2. Contractor shall provide a Technical Design Document (TDD) which includes the proposed physical architecture diagram, recommendations on IT Processes (Backups, HA, DR, SQL/SharePoint Configurations) and recommendations on hardware procurement. The TDD can be found in Attachment 4 to the SOW.
3. Contractor shall provide a Functional Design Document (FDD) which includes system configuration information and Taxonomy pertaining to the department.
4. Any and all applicable software must be compatible with all popular web browsers, including but not limited to, Chrome, Safari, FireFox and Internet Explorer – current version and most recent previous version.

D. Integration Solution Naming Convention

SFMTA and Contractor shall work together to develop the proper naming convention for each Format. Each digitized Document must adhere to the designated naming structure.

VI. BACKLOG SCANNING

Contractor shall implement the following:

A. Format Types

Format 1 – Contractor shall convert all of the SFMTA's paper-based plans and drawings into digital images and create an index of all imaged Documents that is storable and retrievable through SharePoint. Plans/drawings may vary in size, including 16"x24", 24"x36", 36"x42", 36"x48". The SFMTA cannot accurately estimate the number of Format 1 Documents in its possession.

Format 2 – Contractor shall convert all 8.5" x 11" (Letter), 8.5"x14" (Legal) and 11"x17" (Tabloid) Documents and reports consisting of text and images into digital images and create and index all image Documents that are storable and retrievable through SharePoint. The SFMTA cannot accurately estimate the number of Format 2 Documents in its possession.

B. Work tasks:

1. Contractor shall pick up labeled boxes at designated times and check in at SFMTA's designated facility. Upon check in, Contractor shall log and inventory the boxes received and provide an electronic box inventory to the SFMTA Point of Contact. Contractor shall send weekly status updates to keep the SFMTA Point of Contact updated on scanning progress.
2. Contractor's deliverable shall consist of multi-page, searchable PDFs, and CSV file containing Metadata. Contractor shall (with direction from the SFMTA) scan at 200 or 300 dpi. Scanning resolutions will be determined by each department.
3. Contractor shall provide "text as read" orientation for correct orientation when viewing. Images shall be reduced as needed in order to ensure that text is legible.
4. Oversized Documents (such as drawings and blue prints) shall be scanned at size and in color when needed.
5. Contractor shall add a graphic bar scale to each page of each oversize image scanned.
6. Contractor shall capture Document level Metadata. Contractor shall use a two-tier indexing plan for the purpose of ensuring each department receives custom Metadata based on their specific requirements. Field selection will be determined during Taxonomy meetings for each department. See Indexing Standards listed in Attachment 7 for further explanation of Metadata field capture process. Field selection will be determined during Taxonomy meetings for each department.
7. The PDFs shall be named and organized using the agreed upon conventions and structures as determined by the SFMTA Point of Contact and Contractor.
8. Deliverables shall be provided to the SFMTA data center for bulk loading into SharePoint via KnowledgeLake Capture Server Pro.
9. After completion of scanning, Contractor shall either return the boxes to SFMTA location from where they were received, move them to an SFMTA storage facility, or destroy them in accordance with the Record Retention and Destruction Policy after being directed to do so by SFMTA.
10. Contractor shall create an image of any media contained within the Documents picked up for scanning and shall include the image where the original media is physically located. Contractor shall confirm handling/processing of media with SFMTA Point of Contact prior to proceeding.

C. Optional Backlog Scanning Services

Onsite Scanning: Contractor shall be prepared for scenarios that require a higher level of security be placed around the Documents selected for imaging whereby Contractor will bring equipment and personnel to scan sensitive Documents onsite at SFMTA facilities while under the supervision of SFMTA employees, if need be.

Iron Mountain Records: While there are an undetermined number of boxes of SFMTA Documents at one or more Iron Mountain storage facilities, those boxes are not included for purposes of this Statement of Work. Should the SFMTA wish to proceed with scanning of the

boxes in the Iron Mountain facilities, Contractor shall provide a proposal and associated costs for providing this service.

Appendix B

Calculation of Charges

Contract Categories	Contract NTE
<i>License & Support</i>	
Software License	\$ 172,400
Support Services	\$ 148,106
Sub-Total	\$ 320,506
<i>Digitation of Backlog</i>	
Scanning Fee (per page)	\$ 540,000
Color Scanning	\$ 27,000
Oversize Scanning	\$ 30,000
Onsite Scanning at SFMTA facility	\$ 15,120
Indexing Tier 1	\$ 236,250
Indexing Tier 2	\$ 23,625
Document Transfer/Transport	\$ 6,750
Shredding Fee (per box)	\$ 8,000
Sub-Total	\$ 886,745
<i>Training</i>	
DMMS Training	\$ 70,000
Off-Site Training	\$ 7,485
Sub-Total	\$ 77,485
<i>Project Consultants</i>	
Enterprise Project Manager	\$ 297,073
Enterprise Architect	\$ 293,818
Technical Specialist	\$ 878,199
Records Manager Architect	\$ 260,834
Travel (based on GSA guidelines)	\$ 84,345
Sub-Total	\$ 2,103,614
Grand Total	\$ 3,388,350