

Contract Signature Page

Account #
22000120 521001 P0911
OK per Tony (TM)

Contract # 91100823
Council Resolution # _____ (if applicable)

IN WITNESS WHEREOF, each party has caused this agreement to be executed by it's duly authorized official as of the day and year written above.

The Department Director by Written Approval conveys that this contract has been reviewed and presented for approval by the City of Asheville.

Rade Wood DATE 6/7/11
Department Director

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Lauren Bradley DATE 6-7-11
Chief Financial Officer

City Manager's signature, if required

Attest to:

CITY OF ASHEVILLE

Magdalen Brulson BY: [Signature] DATE 6-7-11
City Clerk City Manager
(Corporate Seal)

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE Haywood

I, Notary Public of the County and State aforesaid, certify that Magdalen Brulson, personally came before me this day and acknowledged that she is the City Clerk of the City of Asheville, a municipal corporation, and that by authority duly given and as the act of the corporation the foregoing instrument was signed in its name by its City Manager and attested by herself as its City Clerk.

Witness my hand and notarial seal this 7th day of June, 2011

Notary Public [Signature]
Printed Name: Thomas Eugene Downing
My Commission Expires: 2-2-2016

Remove this Statement and insert one of the following signature paragraphs plus notary witness on this Contract Signature page, depending on the type of business you are contracting with. ONLY USE ONE OF THE FOLLOWING SIGNATURE STATEMENTS ON THIS CONTRACT AGREEMENT FORM!

- Individual Person / Sole Proprietorship
- or
- Partnership
- or
- Corporation
- or
- Limited Liability Corporation

STATE OF NORTH CAROLINA

SERVICE CONTRACT

COUNTY OF BUNCOMBE

NUMBER _____

THIS SERVICES CONTRACT, (hereinafter referred to as the "Agreement") made and entered into this 31 day of May 2011, by and between the City of Asheville, a municipal corporation organized and existing under the laws of the State of North Carolina (hereinafter referred to as "City"), and Blueline Systems & Services LLC, hereinafter referred to as ("Contractor").

WITNESSETH:

Upon the terms and conditions hereinafter set forth, the City has requested and Contractor has agreed to furnish the City with services as set forth in this contract. The City and Contractor agree as follows:

A. TERMS AND CONDITIONS:

1. Contractor shall provide the City with services (herein "the Services") consisting of the following: conduct a forensic inventory of the Asheville Police Department evidence room and prepare a final report of the results upon completion of said inventory. See Schedule "A" for scope of work, Schedule "B" for addition duties of the City, and Schedule "C" for procedure, attached and incorporated herein by reference.
2. The term of this Agreement shall begin on the day first written above and continue until the work is completed, as set forth in Schedule "A", "B", and "C", subject to earlier termination as provided in this Agreement. The term of the Agreement may be extended upon written agreement by both parties.
3. The City will compensate the Contractor in an amount not to exceed \$175,000.00. If the contract exceeds the aforementioned threshold, the City must amend or renew the contract in accordance with all applicable City policies.
4. The Contractor shall bill the City \$85.00 per hour for each hour expended by employees who are examiners and \$20.00 per hour for each hour expended by employees who are evidence locators or scribes in performing the terms and conditions of the Agreement. The Contractor shall bill the City \$120.00 an hour per each hour expended for Contractor's representative to attend any meeting with the City, the District Attorney's Office of the 28th Judicial District (herein "District Attorney") or the Buncombe County IT Department in performing the terms and conditions of the Agreement. The Contractor shall provide a timekeeping record of all hours worked and description of the duties performed during the hours worked.
5. The Contractor shall be reimbursed, in addition to the compensation referred to in Paragraphs 3 and 4 above, for all reasonable and necessary expenses incurred by the Contractor in connection with performance of

this Agreement, including equipment necessary to protect the integrity of the inventory or safety of the persons conducting such inventory. The City may provide such materials and supplies directly to the Contractor. During the performance of this Agreement, it may be necessary for Contractor to seek assistance of the Buncombe County IT Department and Contractor will not be responsible for any fees or expenses incurred for such assistance.

6. All timesheets and invoices, and receipts for reimbursement shall be submitted to Captain Tim Splain, Administration Division Commander or his designee for review and payment of services. These time sheets, invoices, and receipts for reimbursement shall be submitted on a weekly basis (every Monday) after Contractor undertakes and begins work on said inventory. The City shall pay all invoices and receipts for reimbursement within seven (7) days of submittal. If any invoice or receipt for reimbursement remains unpaid for ten (10) days after its submission to the City, Contractor may terminate this Agreement without further liability to the City. The City shall pay any unpaid invoices for any work completed pursuant to the performance of this Agreement.
7. In the event that an employee of Contractor is subpoenaed to court by the District Attorney or any attorney, to testify in any matter related to the performance of this Agreement, the City agrees to reimburse that person for all reasonable expenses incurred in connection with complying with said subpoena, including reasonable hourly compensation for travel, preparation and testimony (either in court, deposition or any administrative proceeding) at an hourly rate to be agreed upon between the City and Contractor. In the event the parties do not agree upon said rate, then such rate shall be established by the resident Superior Court Judge of such District upon petition by either party. If such employee has been appointed as an expert witness by an order of the Court so that an expert witness fee can be awarded by the Court, then this paragraph shall not apply. Payments pursuant to this subsection may not exceed \$50,000.00 per year without appropriate Council authority. Contractor shall provide the City Attorney's Office a copy of the subpoena within 24 hours of receipt of the same.
8. Contractor shall be considered an independent contractor and not as an employee of the City in providing the services under this Agreement. Contractor and the City acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service. Any employees furnished by Contractor, pursuant to this Agreement, will be employees of Contractor. Contractor will maintain complete control over the employees' conduct and will disburse all payrolls, taxes, license, and insurances, during the term of this Agreement.
9. Contractor shall be properly licensed and skilled in his/her respective trade.

10. Contractor and City shall cooperate to complete the Services in a manner satisfactory to both parties and as expeditiously as possible.
 11. Contractor shall have independence and complete control of the forensic inventory including control of form, procedure, schedule, reporting and process during the term of this Agreement.
 12. Contractor shall comply with all state, federal or local laws, or ordinances, codes, rules or regulations governing performance of this Agreement, including but not limited to, equal opportunity employment laws, O.S.H.A., minimum wage and hour regulation, North Carolina State Building Code regulations and immigration laws.
 13. Contractor shall maintain all fiscal records relating to this Agreement in accordance with Generally Accepted Accounting Principles, and shall maintain any other records pertinent to this Agreement in a manner so as to clearly document Contractor's performance. The City shall have a right to access the fiscal and other records of Contractor that are pertinent to this Agreement to perform examinations and audits. Contractor shall retain and keep accessible all the fiscal and other records for a minimum of three (3) years following final payment and termination of this Agreement, or until the conclusion of any audit or controversy related to this Agreement, whichever is later.
 14. Upon completion of the inventory, Contractor shall return to the City all equipment and materials, including but not limited to all computer equipment, software and databases, provided to the Contractor by the City in order to perform the services contemplated in this Agreement. The City shall be sole owner of said equipment and materials upon completion of the forensic inventory.
 15. Upon completion of the forensic inventory, Contractor shall provide the District Attorney with a copy of the final report consisting of the results of the inventory and any recommendations, if applicable. Contractor shall provide the City with a copy of the final report unless the release of information provided in the final report, as determined by the District Attorney: 1) is likely to jeopardize the State's ability to prosecute a defendant; or 2) is likely to undermine an ongoing or future criminal investigation. In the event the above-stated conditions apply, Contractor, in consultation with the District Attorney, shall redact or remove from the final report such confidential information and provide the City with a copy of the remaining information contained in the final report.
- B. CONFIDENTIALITY: Contractor agrees that neither it nor its employees will disclose, divulge, reveal, report or use, for any purpose, any information with respect to the business of the City, which the Contractor has obtained, except to the District Attorney and any assistant or support staff designated by the District Attorney, any state or federal law enforcement agency or as directed by a lawful order of any court of competent jurisdiction. This obligation will survive indefinitely upon termination of this Agreement.

C. INSURANCE: The work performed under this Agreement has been classified as a standard risk profile. The Contractor agrees to keep and maintain for the duration of this Agreement the following:

- 1) Worker's Compensation: statutory
- 2) Employers liability: \$100,000 each accident/\$100,000 each disease/
\$500,000/disease policy limit
- 3) General liability: \$500,000
- 4) Professional liability: \$500,000

The Contractor shall furnish the City with certificates of insurance for each type of insurance described herein. In the event of cancellation, substantial changes or nonrenewal, the Contractor and insurance carrier shall give the City at least thirty (30) days prior written notice. No work shall be performed by Contractor until Contractor has furnished to the City the above referenced certificates of insurance, in a form suitable to the City.

D. INDEMNIFICATION: Contractor shall indemnify, defend and hold harmless the City and its subsidiaries, divisions, officers, directors and employees from all liability, loss, costs, claims, damages, expenses, attorney fees, judgments and awards arising or claimed to have arisen, from any injury caused by, or allegedly caused by, either in whole or in part, any negligent act or omission of the Contractor or any employee, agent or assign of the Contractor. The City shall indemnify, defend and hold harmless the Contractor and its employees from all liability, loss, costs, claims, damages, expenses, attorney fees, judgments and awards arising or claimed to have arisen, from any injury caused by, or allegedly caused by, either in whole or in part, any negligent act or omission of the City or any employee, agent or assign of the City.

Nothing herein shall be construed as a waiver on the part of the City to any defense of any claim, including, but not limited to the defense of governmental immunity.

E. TERMINATION: This Agreement may be terminated by either party, with thirty (30) days prior written notice. Notice shall be served under this Agreement by registered mail, certified mail or by hand-delivery. Except as otherwise provided in this Agreement, the obligations of the Contractor will cease upon termination of the Agreement. If the City terminates the Agreement before 500 hours of work is completed, a termination fee of \$2,500.00 shall be paid to the Contractor, which shall be in addition to, and not in lieu of, any amount owed to Contractor pursuant to Sections 4 and 5 above.

F. MODIFICATION: Any amendment or modification of this Agreement will only be binding if evidenced in writing signed by each party or an authorized representative of each party.

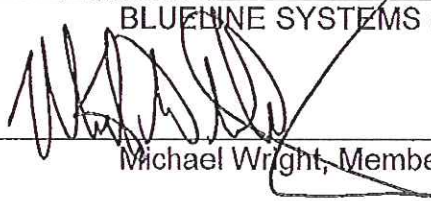
G. ENTIRE AGREEMENT: This agreement contains the entire agreement between the parties. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

- H. SEVERABILITY: Should any provision or provisions contained in this agreement be declared by a court of competent jurisdiction to be void, unenforceable or illegal, such provision or provisions shall be severable and the remaining provisions hereof shall remain in full force and effect.
- I. GOVERNING LAW: This contract is entered into in North Carolina and shall be construed under the statutes and laws of North Carolina.
- J. ASSIGNABILITY: This contract is not assignable by either party without the prior written consent of the other party.
- K. REQUIREMENT OF CITY CONTRACTS:
1. Contractor shall comply with the provisions of the Americans with Disabilities Act and all rules and regulations promulgated thereunder. Contractor hereby agrees to indemnify the City from and against all claims, suits, damages, costs, losses and expenses in any manner arising out of or connected with the failure of Contractor, its subcontractors, agents, successors, assigns, officers or employees to comply with the provisions of the ADA or the rules and regulations promulgated thereunder.
 2. Contractor will comply with the City's Drug Free Workplace policy.

BY:

BLUENINE SYSTEMS & SERVICES LLC

Signature:



Michael Wright, Member/Manager

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, Sandra P. Cole, a Notary Public for said County and State do hereby certify that Michael Wright, Member/Manager of Blueline Systems & Services, LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

Witness my hand and notarial seal this 6 day of June, 2011.



Notary Public Sandra P. Cole
Printed Name: Sandra P. Cole
My Commission Expires: 6-24-2017

Schedule "A"

Organize two 4-person teams of property and evidence locators, examiners and scribes although teams may work independent of one another and at different times. Teams may work as a team with as few as two team members present.

Construct clean workstations to forensically examine property and evidence reviewed in the audit.

Each item will be pulled up in the OSSI computer system.

Pending or completed cases will require cross-referencing to criminal court file numbers.

The item will be located on the shelf or bin.

The seals will be examined and evaluated for compliance with proper forensic technique including record keeping and document such action taken with respect to each item. Anything noted as irregular will be referred to the State Bureau of Investigation (herein "SBI") for investigation as they deem warranted.

Bench notes will be made regarding the item's condition and the actions of those making the inspection.

The package and seals will be photographed of each item both before opening (if opened) and resealing (if applicable).

The contents will be verified in such a way as to preserve original custody marks if possible. The technician will be gloved and use proper forensic procedures.

Item will be resealed and marked with inventory markings and barcode to evidence that the item was inspected.

Items passing inspection will be green tagged. The standard shall be: all numbers and information match records. Seals and initials unbroken and in place, no evidence of tampering. All contents present and match description, weight and quantity. No visible evidence of substitution.

Items with minor discrepancies (clerical errors, inversion of numbers, missing tag, etc.) will be yellow tagged. The standard shall be: fails any element of green tag standard but may be correctable with further research or clarification, no evidence of tampering. Notes of such further research will be included in report.

Items with major problems will be red tagged or yellow tagged and reported promptly to the SBI for further action or instruction.

A form will be completed for each package.

Items where weight as been weighed will also be weighed. If a discrepancy appears to exist, a notation of the difference will be recorded.

A spreadsheet style database will be compiled.

Status updates and requests for information will flow freely between the Contractor and the District Attorney and Contractor will meet with the District Attorney as requested.

Contractor will meet with IT as necessary to insure that the project is completed and data assembled as efficiently as possible.

Contractor will cooperate on an ongoing basis with the SBI investigation as requested.

Schedule "B" Additional Duties of Customer

The Customer shall furnish the following:

In view of the proprietary nature of the OSSI software, the City shall provide OSSI consulting as requested by the Contractor.

The City shall surrender any and all keys to the former evidence room in question to Contractor. Upon surrender, Contractor will reset the alarm to the former evidence room to a new code. The City shall not have access to the new code and the new code shall be known only to Contractor and its employees. The City shall notify all of its employees that no one is allowed in the former evidence room except for Contractor, unless Contractor expressly requests the presence of a specific person and only if that person is accompanied by the Contractor.

One liaison for business related issues such as ordering supplies, billing, time sheets, purchasing and maintenance.

One secure fax line.

1 copy of CALEA standards for property and evidence.

1 Copy of CALEA standards for property and evidence as adopted by the Asheville Police Department.

IT assistance with archiving and audit trail for OSSI and involved computers.

Schedule "C" Procedures

All procedures to be used by Contractor will be reviewed by the office of the District Attorney of the 28th Judicial District. Since the District Attorney of the 28th Judicial District is familiar with the pending case, the age of such cases as well as the importance or priority of all cases, the District Attorney may, from time to time, suggest to the Contractor the priority order of such inventory research.

When a team is present in the property area, at least two persons shall be in the room at all times.

At least 30 hours per week shall be expended on the project until completed.

Examiners shall be trained in proper forensic procedures.