



Los Angeles County **REGISTRAR-RECORDER/COUNTY CLERK**

DEAN C. LOGAN  
Registrar-Recorder/County Clerk

July 19, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**REQUEST TO TERMINATE FOR CONVENIENCE  
AGREEMENT NUMBER 77402 WITH NEUBUS, INC. FOR  
MICROFILM CONVERSION TO DIGITAL IMAGES SERVICES  
(All Supervisorial Districts) (3-Votes Required)**

**SUBJECT**

Request to authorize the Registrar-Recorder/County Clerk (RR/CC) to terminate for convenience, Agreement Number 77402 with Neubus, Inc., for services converting microfilm images to digital images.

**IT IS RECOMMENDED THAT YOUR BOARD:**

Authorize and delegate authority to the RR/CC to terminate for convenience Agreement Number 77402 (Agreement) with Neubus, Inc. (Neubus) for Microfilm Conversion to Digital Images Services and authorize the RR/CC to send Neubus the Notice of Termination to be effective approximately 10-days from the date on the Notice, as required under the Agreement.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

In approving the recommended action, the Board is authorizing RR/CC to terminate for convenience the Agreement with Neubus and bring the performance of the microfilm conversion services in-house.

Assembly Bill (AB) 1168, codified in Government Code section 27300 et. seq., which mandates the redacting of the first five digits of any social security number appearing on any real property

document recorded from 1980 to present. Under AB 1168, the RR/CC is required to create a “public record” version of each “official record” by redacting the first five digits of any social security number. Records maintained by the RR/CC from 1992 to the present are already in digital format. Records from 1980 through 1991 are in microfilm format which cannot be altered; therefore, conversion from microfilm to an electronic digital format is necessary to enable the redaction of the social security number. Although not required by law or subject to the required redaction, recorded real property documents on microfilm from 1977 through 1979 will also be converted to digital images, for consistency.

On August 31, 2010, your Board approved the Agreement with Neubus to convert microfilm images to digital form. Following the initial set-up and trial period, the full production of conversion services was implemented. RR/CC worked with Neubus to resolve a few issues with film breakage. Neubus brought in the equipment manufacturer to calibrate the equipment and provided additional training to their staff. Despite these efforts, several more film cores broke at the splice (mended area that connects two separate strings of film). RR/CC notified Neubus that a re-evaluation of the film condition was warranted. Because the microfilm is the “official” record of the documents contained within, and is irreplaceable if damaged, RR/CC determined that it is in the best interest of the County to discontinue outsourcing the microfilm conversion services and perform the services in-house as time permits. The recommended action is also in line with County’s efficiency initiative to bring contracted services in-house, where feasible.

### **Implementation of Strategic Plan Goals**

Goal 1: OPERATIONAL EFFECTIVENESS: Maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services.

Strategy 1: Fiscal Sustainability: Promote sound, prudent, and transparent short- and long-range fiscal policies and practices that help ensure maintenance of critical, high priority County public services despite cyclical economic conditions.

Termination of the Agreement will allow RR/CC to bring the services in-house. County staff will process the microfilm conversion services as time permits, using specified trust funds earmarked for these specific services, at no net County cost.

### **FISCAL IMPACT/FINANCING**

There is no fiscal impact in the termination of the Agreement. The RR/CC collects \$1.00 on each recorded real property document which is held in trust in the “Social Security Number Truncation Program Fund,” pursuant to the provisions of AB 1168, which was approved by your Board on March 25, 2008. The Social Security Number Truncation Program Fund, which will be funded through December 2017, will be used to purchase scanning equipment and offset staff time for the conversion of real property records from 1980 through 1991. The Recorder Modernization Fund will be used for the conversion of real property records from 1977 through 1979. These trust fund accounts can only be used for specific purposes which include conversion. There is no net County cost.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Paragraph 8.42 (Termination for Convenience) of the Agreement, allows the County to terminate the Agreement, in whole or in part, when such action is deemed by the County, in its sole discretion, to

be in its best interest. Termination under this provision of the Agreement has been reviewed by County Counsel for legal sufficiency.

The Chief Information Office (CIO) has reviewed the Board letter and recommends approval. It determined that because this recommended action simply terminates for convenience as existing County Agreement and does not constitute a technology related acquisition that no formal CIO Analysis is required

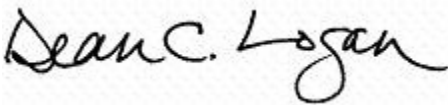
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The termination of the Agreement will not have an adverse affect on current services as RR/CC staff will convert the microfilm images in-house, as time permits, without incurring net County cost.

**CONCLUSION**

Upon approval of the recommended action, it is requested that the Executive Officer/Clerk of the Board return one adopted stamped copy of the approved Board letter to: Registrar-Recorder/County Clerk, 12400 Imperial Highway, Room 7201, Norwalk, CA 90650, Attention: Ngozi Ume, Manager, Finance & Management Division.

Respectfully submitted,



DEAN C. LOGAN

Registrar-Recorder/County Clerk

DCL:KC:NU:hwk

c: Chief Executive Office  
County Counsel  
Executive Officer, Board of Supervisors