

5. CODIFICATION PROPOSAL

Our proposal to recodify Rapid City's Code of Ordinances begins on the following page. Please note that we will meet *all* of the requirements listed in your RFP.

Here is a brief summary of products and services described in our proposal.

- **Highest quality codification services** - *American Legal has extensive experience in recodifying and "taking over" publications originally published by other publishers.* Our commitment to excellence in the provision of core editorial and publishing services has led cities such as Los Angeles, Boston, San Francisco, Dallas, Austin, Albuquerque and Anaheim to *switch* to American Legal over the last decade. Our systems and personnel permit us to implement customized programs meeting the highest standards for quality and service for our clients. We look forward to working with the Rapid City Common Council, City Attorney, Finance Officer and others to assure a smooth transition.
- **Comprehensive legal and editorial analysis** - American Legal will perform a thorough *legal and editorial analysis* of your code. We will eliminate internal code inconsistencies, as well as inconsistencies between your ordinances and state statutes and federal law. We provide the *most comprehensive analysis* in the codification industry. Please see the enclosed sample Legal and Editorial Report for an example of our work.
- **Industry-leading information management products and services** - American Legal can place your code into the award-winning Folio Views search-and-retrieval software. Folio offers a fast, full-text search engine, an electronic table of contents and the ability to use hypertext links to locate related information. We can also place your code in the Internet, and can create a link from your Web page to the code.

We are extremely interested in working with Rapid City, and we look forward to your reaction to our proposal. Our contact information is listed below. Please call if you have any questions.

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CODIFICATION COST AND SERVICES SUMMARY

American Legal Publishing proposes to codify the ordinances for Rapid City, South Dakota at the following price:

I.	Base Cost	\$15,800
	<i>*The actual page count may vary from the estimate or you might add new ordinances during the codification process. If the page estimate is high, the cost will be lower than the initial base cost, and vice-versa.</i>	
	Includes	
	a. Number of Copies of Rapid City's Code (includes binders and divider tabs)	70
	<i>Please Note: Our in-house printing department is capable of producing as many copies of the Rapid City Municipal Code as you wish—whether it's 70 copies, 150 copies, 250 copies, or even more.)</i>	
	b. Legal Analysis	
	i. Research Internal Consistency	
	ii. Research State Law Consistency	
	iii. Legal and Editorial Research and Report	
	c. Special Features	
	i. Tables of Special Ordinances	
	ii. Parallel References	
	iii. Comprehensive Index	
	iv. Tabular Matter (Tables, Charts, Graphs)	
	v. Code on Diskette (WordPerfect, MS Word, RTF or ASCII)	
	d. Estimated Number Of Pages	
	8½" x 11" Format	
	i. Single column (12 point type)	860 pages
	ii. Dual column (11 point type)	700 pages
II.	Variable Cost	
	a. Per Page Increase/Decrease Rate	
	8½" x 11" Format	
	i. Single Column	\$18.50
	ii. Dual Column	\$22.50
	b. Freight/Shipping	
III.	Time to Completion (Milestones)	
	Number of Months Until Manuscript (including legal and editorial report)	4 months
	Number of Months Until Completed Code (after return of manuscript)	2 months
	Number of Days for Updated Supplements, including Statutory Updates	45 days

IV. Optional Services that may be ordered:

- a. Reorder Copies of Complete Extra Code
 - i. Minimum Number of Copies No minimum
 - ii. Cost per Extra Code with Binder \$60
 - iii. Cost per Extra Code without Binder \$45

- b. Supplement Service (at the frequency determined by the Municipality)
8½" x 11" Format
 - i. Single-column \$18.50/per reprinted page
 - ii. Dual-column \$22.50/per reprinted page

- c. Subscription Service
Surplus revenue is credited to your account YES

- d. Pamphlets (With cardstock cover)
Per Impression (Printed Page)
 - i. 1-50 copies \$.075
 - ii. 51-99 copies \$.070
 - iii. 100 copies or greater \$.065
 - iv. Pamphlet Binders \$15.00 each

- e. Folio VIEWS Search and Retrieval Software (Folio 4.2)

Documents in Folio:
 - i. Code of Ordinances \$995.00
 - ii. Code Supplements \$1.95/page
 - iii. Phone Support No Extra Charge
Optional Services:
 - i. On-Site Installation & Training \$595/day (plus travel)
 - ii. Additional Folio Views bound/read-only licenses (one time fee) \$50 each
 - iii. Unlimited Folio Views user network license \$1,500
 - iv. Folio Builder 4.2 (production software) (for producing your own infobases) \$1,995

- f. Code on the Internet (after conversion into Folio) \$250.00 per year

V. Terms (can be budgeted over two fiscal years)

- i. Forty Percent (40%) due upon acceptance of this agreement.
- ii. Forty Percent (40%) within 30 days of receiving the manuscript.
- iii. Balance within 30 days of receiving the completed code.

CODIFICATION AGREEMENT

January 22, 2003

The City of Rapid City, a municipal corporation in the State of South Dakota ("Municipality") and American Legal Publishing Corporation, ("Publisher"), an Ohio corporation, agree as follows:

I. THE PUBLISHER SHALL:

- (1) Examine the Municipality's Charter (if any) and all ordinances or resolutions provided by the Municipality and determine which materials are to be codified.
- (2) Utilize its staff of attorneys to review all materials to be codified for conformity and conflict with existing state statutes and federal law, as well as other ordinances and resolutions. Such conflicts will be brought to the attention of the Municipal Attorney in a written report.
- (3) Suggest new provisions which the Municipality should consider including in the new code, and delete old provisions which are no longer necessary or which might be improper or unlawful.
- (4) Classify all ordinances and resolutions which are of a general and permanent nature into titles, chapters, and sections, according to subject matter.
- (5) Make changes to effect uniformity of style and to correct typographical and spelling errors, grammar, and usage. Substantive changes shall not be made in the wording of the ordinances. Suggestions for additions or changes in the ordinances will be submitted to the Municipal Attorney.
- (6) Prepare:
 - (a) Title, chapter, and section headings ("catchlines").
 - (b) A table of contents and sectional analysis for each chapter.
 - (c) A legislative history for each section, citing the ordinance number and date of passage, as indicated on copies of ordinances supplied to the Publisher.
 - (d) Statutory cross-references to sections of the state statutes and to other pertinent parts of the Code where applicable. These references shall appear at the end of the section to which they apply.
 - (e) Tables of Special Ordinances listing chronologically those ordinances in certain subject areas that the Municipality finds to be pertinent.
 - (f) Parallel Reference Tables showing:
 1. The disposition of ordinances (in numeric sequence) included in the codification (Ordinance to Code).
 2. A listing of code sections based on state statutes (Statute to Code).

3. A listing of prior code sections incorporated into the new code if applicable (Old Code to New Code).
 - (g) An index (which will be created after the first draft of the Code is submitted).
- (7) Provide the Municipality a consultation service, for:
 - (a) Updating ordinances in conflict with state and federal statutes;
 - (b) Providing model ordinances when requested.
- (8) Deliver to the Municipality, within 4 months from receipt of the materials deemed necessary by the Publisher to begin the codification (prior code, ordinances and new code questionnaire), one copy of a draft of the Code for the Municipality's examination.
- (9) If necessary, hold a manuscript conference to make final corrections, additions, and deletions to the Code. Any of the pages of the draft may be changed at this time. After the final conference, no additional changes are to be made. Any further changes, additions, or deletions shall be made in the future supplements to the Code in accordance with IV(3) of this Agreement. When the draft, and any changes thereto made by the Municipality, is returned to the Publisher, such return of the draft shall be deemed final authorization by Municipality to publish the Code as returned. If a conference is requested by the Municipality which require the travel of a member of the staff of Publisher, then the Municipality shall be advised what the additional cost, if any, for such conference will be.
- (10) Deliver to the Municipality, within 2 months of receipt of the corrected draft, 70 printed copies of the Code meeting the following specifications:
 - (a) Type to be single or dual column, at the option of the Municipality
 - (b) Page size to be 8½" x 11"
 - (c) Printed on high quality paper
 - (d) All copies to be in hard-covered, 3-ring or swing-hinge loose-leaf binders. All binders shall have the Municipality's name stamped in gold and shall contain divider tabs.
- (11) Provide a sample adopting ordinance to the Municipality.

II. THE MUNICIPALITY SHALL:

- (1) The Municipality will provide clear copies of all materials necessary to perform the codification, including an up to date copy of any previously published code of ordinances.
- (2) After receipt of the draft of the code and legal report described in paragraph I (2), the Municipality shall have 60 days to review the draft and report and to return to the Publisher its comments about the draft and its answers to the legal report. In the alternative, if the Municipality opts for the legal conference described in paragraph I (9), it must contact the Publisher within 60 days to set up a meeting date. The meeting, itself, need not occur within the same 60 day period. If the Municipality fails to either return its comments and answers to the legal report within 60 days or, if applicable, to set up a meeting date, the Municipality may request that the Publisher extend the deadline in writing. The Publisher may adjust the contract price to cover any increased costs due to the Municipality's delay.

(3) Five year supplemental service plan: _____

For a period of five years after delivery of the code:

(a) The Publisher shall:

1. Supplement the Code on a schedule devised by the Municipality, whether it's yearly, semi-annually, bi-monthly, quarterly or monthly.
2. Incorporate into the code new pertinent ordinances submitted by the Municipality.
3. Revise or make additional entries to the table of contents, parallel reference tables, and index as necessary to reflect the incorporation of additional, changed or deleted material.
4. Within 45 days, deliver to the Municipality 70 printed copies of supplemental pages with an instruction sheet for directing the placement of the new pages in the code. (*Please Note:* Publisher shall deliver supplemental pages within 30 days if the Municipality chooses monthly updates.)
5. Advise the Municipality of changes in state statutes that materially affect provisions of the Code based upon such statutes and, unless otherwise directed by the Municipality, make changes in those provisions in order to bring the Code into conformity with same.

(b) The Municipality shall:

1. Provide a copy of ordinances or resolutions passed subsequent to publication of the previous code supplement;
2. Pay to the Publisher the sum of \$18.50 per reprinted single column page or \$22.50 per reprinted dual column page.

The prices above are for a five-year period and cannot be changed except for adjustments in the second, third, fourth, and fifth years of this agreement to reflect any decrease or increase in the United States Consumer Price Index calculable from the month of delivery of the Code.

- (c) Upon completion of the five-year period, this agreement shall automatically renew itself from year to year except that either party may alter or cancel the terms of this agreement at any time upon ninety days written notice.

(4) Code on Computer Disk: _____

At no additional charge, the Publisher will provide the code on computer disk in one of the following formats (*circle one*): WordPerfect , Microsoft Word, RTF or ASCII

(5) Subscribers Service: _____

The Publisher can assist the Municipality with the marketing, sale, storage and distribution of the Municipality's Code of Ordinances. We offer a toll-free *subscribers services and support* line that current and potential subscribers can use to place orders and ask questions. We can accept credit card payments and offer expedited delivery service (including overnight or second-day service). Many of our large clients (including the Cities of Dallas, San Francisco, Austin and Albuquerque) have selected this service because it relieves them of the burden of maintaining excessive inventories of publications and processing individual payments.

Order forms, mailing services and code/supplement storage are *included* in our service. After subtracting our printing, shipping and handling costs from each order, the revenue will be credited to the Municipality's account. We will provide the Municipality with detailed subscriber information on a regular basis.

The Publisher will operate a subscription service upon the Municipality's request as follows:

- (a) The Municipality has the right to set the total price of the publications for the subscribers. After subtracting production costs, marketing costs and shipping and handling charges, the difference will be credited to the Municipality's future supplement invoices.
- (b) Subscribers can be charged in advance or at time of shipment if they wish to subscribe to the supplements. The total cost for this subscription will be for a year's worth of supplements.
- (c) Subscribers of the publications will be required to pay in advance of shipment by check or credit card. Shipment of publication inserts will be made to subscribers within 5 working days of receipt of payment (orders for binder, if required, may take additional time).
- (d) The Publisher will actively market the publications, and will incur all mailing costs for the marketing of the publications. Order forms with an announcement of the publications and supplement service availability will be included in the mailings. As part of its marketing effort, the Publisher will also set up a Web site that potential subscribers can use to receive information and place orders.
- (e) Any law firms, realtors, businesses, libraries or other interested parties contacted may inquire about code orders by using the Publisher's toll-free (800) number.
- (f) The Municipality will provide the Publisher with an appropriate inventory of the Titles necessary to fulfill the subscriber orders. The Publisher will promptly inform the Municipality whenever the inventory of a particular publication is low.

(6) Pamphlets:

- (a) Pamphlets, sized for 8½" x 11" copy, containing component parts of a Code, with a cardstock cover, may be ordered: (*circle desired topic and insert number of copies*):

Charter	# of copies _____	_____
Traffic/General Offenses Code	# of copies _____	_____
Zoning Code	# of copies _____	_____
Subdivision	# of copies _____	_____
All Land Use Regulations	# of copies _____	_____
Other _____	# of copies _____	_____

(b) Cost:

1-50	copies of pamphlet — .075 per printed page
51-99	copies of pamphlet — .070 per printed page
100 or more	copies of pamphlet — .065 per printed page

- (c) Optional 3-ring pamphlet binders (\$15.00 each) _____

(d) Pocket sized pamphlets are available at rates to be agreed upon.

(7) Folio Version 4.2 Search and Retrieval program:

The Publisher shall convert the Municipality's Code into the award-winning **Folio Views** full-text search-and-retrieval software. Folio Views allows users to perform fast, full-text searches on the entire code. Users can search for words, phrases, section numbers, statutory cites,—anything they want. Folio also offers an electronic table of contents that allows users to navigate and browse the code, as well as a hypertext linking feature that allows users to connect or "jump to" related pieces of information (such as cross references). Finally, Folio allows users to customize or personalize information with electronic notes, bookmarks and highlighters. Fast, secure, and easy-to-use, Folio is the industry standard in search-and-retrieval software.

Once we have converted the Code into the Folio Views electronic database or infobase, we can place your Code on the Internet into **NXT 3**, the latest edition of the Folio product line. **NXT 3** is a *standards-based* tool that allows users to browse, access and search documents in their native formats (whether it's Word, HTML, Adobe Acrobat, Folio Views or something else). American Legal maintains its own **NXT 3** server, which allows us to provide Web hosting services for our clients. We also provide the **NXT 3** software to clients who want to set up and maintain their own Internet sites.

(a) The Publisher shall provide the Municipality's code in the Folio format on CD with complete instructions and one copy of a manual for \$995.00. _____

(b) Folio supplements in future years at \$1.95 per page. (\$195 minimum per supplement) _____

(c) Additional Folio Bound/Read-Only License Fees (one-time fee of \$50):
_____ of additional licenses _____

(d) Unlimited Folio Bound Views user network license (one-time fee of \$1,500) _____

(e) Technical Support (no charge) _____

American Legal offers *no-cost*, toll free telephone support from 8:00 a.m. to 5:00 p.m. Monday through Friday, Eastern Standard Time. As a Folio Publisher, American Legal provides high-quality technical support to clients across the country. We guarantee a response to technical support questions within 4 hours.

(f) Optional On-Site Installation & Training at \$595.00/day + Travel Expenses. _____

(g) Folio Builder (\$1,995) (allows the Municipality to create new infobases in-house) _____

(h) Code on the Internet (after Folio conversion) at \$250.00 per year _____

V. TRANSMITTAL AS OFFER.

The transmittal of this Agreement to the Municipality is an offer by the Publisher to perform the stated services at the prices and terms referenced within the Agreement. This offer will expire if not executed by the Municipality by April 1, 2003, unless such date is extended in writing by the Publisher.

IN WITNESS WHEREOF the parties to this contract have hereunto set their hands on the date(s) indicated:

City of Rapid City, South Dakota

American Legal Publishing Corporation

BY _____

BY Stephen J. Wolf

TITLE _____

TITLE President

DATE _____

DATE 1/22/03

IN THE PRESENCE OF:

IN THE PRESENCE OF:

Rick Baithaus