

# **RESOLUTION NO. 2010-177**

Adopted by the Sacramento City Council

April 6, 2010

## **AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACTS FOR THE CITY TO PROCESS PARKING CITATIONS FOR SPECIFIED LOCAL AGENCIES**

### **BACKGROUND**

- A. The City of Sacramento issues approximately 235,000 parking citations annually. Consequently, the City has developed infrastructure to process a large volume of parking citations, and it has surplus capacity to process more citations than the City generates.
- B. Since the California legislature decriminalized parking citations in 1994, the City has made citation processing services available to local agencies in Sacramento County for a fee.
- C. The City recently developed a new fee rate structure to ensure that the City is recovering the full cost of providing these services to other local agencies. As a result, those local agencies currently under contract with the City for processing parking citations choosing to continue those services with City need to enter into new agreements reflecting the revised rate structure.

### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Council hereby approves and authorizes the City Manager or designee to execute a three year Non-Professional Services Agreement with the County of Sacramento for parking citation processing services, attached hereto as Exhibit A.
- Section 2. The City Council hereby approves and authorizes the City Manager or designee to execute three year Non-Professional Services Agreement with the Sacramento Metro Fire District for parking citation processing services, attached hereto as Exhibit B.
- Section 3. The City Council hereby approves and authorizes the City Manager or designee to execute a three year, Non-Professional Services Agreement with the Cal Expo and State Fair Police Department for parking citation processing services, attached hereto as Exhibit C.
- Section 4. The City Council hereby approves and authorizes the City Manager or his designee to execute a three year Non-Professional Services Agreement with the Twin Rivers School District for parking citation processing services, attached hereto as Exhibit D.

Section 5 Exhibits A through D, inclusive, and all Exhibits attached thereto, are part of this resolution.

**Table of Contents:**

- Exhibit A - Non-Professional Services Agreement for the County of Sacramento
- Exhibit B - Non-Professional Services Agreement for the Sacramento Metro Fire District
- Exhibit C - Non-Professional Services Agreement for the Cal Expo and State Fair Police Department
- Exhibit D - Non-Professional Services Agreement for the Twin Rivers School District

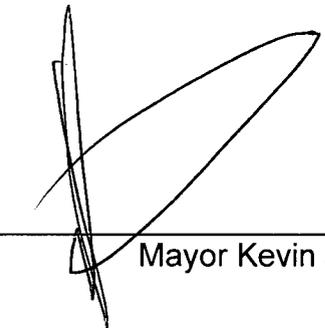
Adopted by the City of Sacramento City Council on April 6, 2010 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



\_\_\_\_\_  
Mayor Kevin Johnson

Attest:

  
\_\_\_\_\_  
Shirley Concolino, City Clerk

**AGREEMENT FOR PROCESSING SERVICES FOR PARKING CITATIONS  
FOR THE COUNTY OF SACRAMENTO**

This Agreement is entered into as of this 1<sup>st</sup> day of May 2010 ("Effective Date"), by and between the County of Sacramento ("Agency") and the City of Sacramento ("City").

Whereas Assembly Bill 408 (Stats 1992, Ch. 1244) mandated the transfer of the responsibility for processing parking citations and collection of parking penalties from the state courts to the issuing local agencies effective January 1, 1994; and

Whereas California Vehicle Code Section 40200.5 authorizes public agencies that issue parking citations to contract with a city, county or private vendor to process its parking citations and collect the penalties therefore; and

Whereas City has the capability to perform such processing services via an automated information system (System) and has an established adjudication program for parking citations; and

Whereas Agency desires to have City provide citation-processing and payment-collection services for Agency's parking citations;

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants hereinafter set forth, Agency and City agree as follows:

**ARTICLE 1 – DEFINITIONS**

- 1.1 Parking Citation: means a notice of parking violation issued by any Peace Officer or other employee authorized by resolution of Agency to enforce parking and related laws.
- 1.2 Parking Violation: means any parking violation specified in the California Vehicle Code or local ordinance.
- 1.3 Parking Penalty: means any penalty incurred by a parking violation including, but not limited to, fines, late payment penalties, administrative fees, assessments, state-mandated surcharges, and costs of collection.
- 1.4 Services: means any of the services described in Article 3 or Exhibit A of this Agreement.

**ARTICLE 2 – AGENCY'S DUTIES**

- 2.1 Duties. Agency agrees to the following obligations:
  - a. To fully cooperate with City and its contract service providers.
  - b. To timely provide City with all information deemed necessary for the performance of its services under this Agreement.

2.2 Required Information. Agency agrees to provide to City on a weekly basis copies of citations to be processed. Citations will be processed in accordance with this Agreement only if all the following informational items are supplied by Agency:

- citation issue time;
- citation date;
- citation number;
- location where citation is issued;
- name of issuing agency; and
- section number and description of the California Vehicle Code section or local ordinance that is the legal basis for the citation.

### ARTICLE 3 – SERVICES AND COMPENSATION

#### A. Citation Services

3.1 Scope of Services. City shall provide Agency with parking-citation processing services including, but are not limited to, the receipt, deposit, acceptance of forfeitures and otherwise process the payment of parking penalties for all parking citations issued by Agency and submitted to City for processing. Services also include notifying parking violators of penalties, accepting payment of fines, and pursuing collection of unpaid citations. The extent of collection activities shall be determined at the City's sole discretion, and may be limited to the delinquency notices specified elsewhere in this Agreement and processing of Department of Motor Vehicles (DMV) holds on vehicle registrations.

3.2 Time, Place, and Manner. City shall provide said services at the time, place, and in the manner specified herein. Services to be provided by City to Agency are as follows:

- a. Provide to Agency via DMV the filing of delinquency notices, and the placement and removal of DMV holds by City, all of which shall be accomplished in accordance with applicable law and within the timeframe established by City.
- b. Provide access to motor vehicle agencies of other states other than California to retrieve details of registered owner information. Agency shall provide a letter from its Chief of Police which authorizes said process. Out-of-state access will be provided subject to the policies, practices, and operating rules utilized by the state controlling access.
- c. Provide Agency with such other services as may be requested by Agency during the term of this Agreement, including, without limitation, such assistance and cooperation as may be requested by Agency in the event a claim or action is brought against Agency relating to services City rendered under this Agreement. Any expenses incurred by City on behalf of Agency shall be paid by Agency.
- d. A citation shall not be considered as being processed until it is entered into the System by City.

3.3 Agency Permission Required. In the performance of services hereunder, City shall not do or undertake any of the following actions without the express, prior written permission of Agency:

- take any legal action on behalf of Agency against any person who is issued a citation by Agency;
- threaten to take any legal action on behalf of Agency against any person who is issued a citation by Agency;
- make any communication, oral or written, regarding potential legal action on behalf of Agency against any person who is issued a citation by Agency.

**B. Processing of Citations**

3.4 Collection of Citations. Agency on a weekly basis will transmit to City all citations which are generated in handwriting or by portable mechanical ticket-writers, and City shall process all citations and mail notices in accordance with the schedule established by City.

3.5 Determination of Processable Citations. The System shall screen each new citation issued by Agency to determine whether the citation contains all the information necessary to process it. If the citation is determined by the System to be unprocessable (i.e., if any of the information specified in Section 2.2, above, is missing or illegible), the citation will be added to an on-line edit exception report. The System shall make available an on-line report of the number of mismatched citations and tickets and the number of delinquent citations. Agency agrees to provide to City the required data to modify and/or delete mismatched citations, as deemed appropriate by City. City shall receive no additional compensation for processing a corrected citation that is resubmitted for processing, except for any required postage and handling, which Agency agrees to pay.

3.6 Delinquency Notices. City shall generate, on a schedule designated by City, delinquency notices ("Notices") for citations that remain unpaid on their due date. City shall oversee mailing of these Notices to the registered owners of the vehicles cited, by first class mail.

3.7 Identification of Registered Vehicle Owners. The System shall make a maximum of five (5) attempts (but no more than one attempt every seven calendar days) to obtain the name and address of the registered vehicle owner from the DMV for each vehicle for which an Agency citation has been issued and payment has not been received within the required time period. City will respond to all telephone inquiries received from the public concerning noticed citations, except telephone inquiries for which a response by Agency is warranted in light of Agency's ability to provide a solution. City shall follow all procedures specified by DMV, and shall act in accordance with the California Vehicle Code when registered vehicle owners are identified.

3.8 Verification of Ownership. With each attempt to verify ownership through DMV, the System shall ensure that adequate identification of registered vehicle owners and verification procedures are utilized, taking into consideration, at the very least, the following factors:

- issuance of new license plates;
- address changes;
- transfer of ownership;
- license plate transfers to other vehicles (sub-plated);
- name changes;
- validity of plates and registration during specific time periods applicable to individual cases ("as of" date).

- 3.9 Notification to Lessee and/or Second Reported Owner. Using the System, City shall notify by mail any delinquent lessee and/or second reported owner whose name and address are provided in the information received from DMV. Each such notification shall be considered a separate Notice. City shall follow the lien process established under California law before it proceeds against a subsequent purchaser of a used vehicle which has been cited by Agency.
- 3.10 Placing Vehicle Registration Holds. The System shall automatically place a hold with DMV on the registration of vehicles for which citations and fees remain unpaid by the registered owners of such vehicles in accordance with, and within the time period provided in, the California Vehicle Code and other applicable laws. The commencement of the time period from the date of the Notice will be specified by City, or as that minimum time period is amended in the California Vehicle Code. The System shall transmit such holds to DMV, via on-line computer system transmission, for all citations that have not been paid in full or dismissed. The cost for DMV holds (currently \$3.00 each) shall be paid by Agency unless Agency opts to purchase third-party collections service. The charge for DMV holds may be increased or decreased from time to time as may be mandated by DMV.
- 3.11 Removal of Registration Holds. Once a registered vehicle owner remits the entire amount of penalties due on unpaid parking citations to the satisfaction of City on behalf of Agency, the System shall electronically notify DMV within five (5) calendar days to remove the registration hold on that vehicle.
- 3.12 Out-of-State Citations. Citations issued for vehicles with out-of-state registration will be processed separately, but using the same procedures used for in-state citations. If such citations become delinquent, the System shall attempt to electronically request the registered vehicle owner's information from the motor vehicle agency of the appropriate state. If City is able to obtain the required information for the owner, a delinquency notice shall be sent to the registered vehicle owner requesting that the owner remit the bail amount made payable to City.
- 3.13 Suspension of Processing. City shall suspend the processing of any citations issued by Agency upon receipt of appropriate notice to do so from Agency. Any outstanding fees due to City or revenue due to Agency shall be calculated as of the date processing is suspended.
- 3.14 Use of Approved Forms. All forms, delinquency notices, and correspondence sent by the System shall conform to applicable law.

### C. Payment

- 3.15 Payment: Agency shall pay City for services rendered pursuant to this Agreement at the times and in the manner set forth herein and in Exhibit B. Except as provided otherwise in this Article 3.C, the fees and charges specified in Exhibit A shall be the only payments to be made to City for services rendered pursuant to this Agreement, unless Agency requests additional services not listed on Exhibit A. If Agency requests additional service, City shall provide an estimate of the additional charges and Agency must approve the additional service before City shall perform the service. City shall submit all billings for services to Agency in the manner specified in Exhibit B.
- 3.16 Citation Processing Fees Subject to Annual Adjustment. Exhibit A provides both required and optional services that can be purchased by Agency. Agency agrees to pay City the fees described in Exhibit A for all required services and any optional services Agency elects to purchase. City's current rates are subject to an annual adjustment. The citation processing fees, including but not limited to those set forth in Exhibits A, shall be adjusted July 1 of each year based on the annual percentage change in the San Francisco Region Consumer Price Index (CPI), as identified each June 1; provided, however, rates for third-party collections will be adjusted by City's contractor based on the Los Angeles Region CPI. The annual adjustment shall not exceed three and one half percent (3.5%) in any one year. The annual adjustment to the citation processing fees shall commence July 1, 2010 and shall be applicable for each year thereafter during the term of this Agreement. Basic citation processing shall include data entry of each citation submitted, payment collection, identification of registered owners, accounting and control of citations, interface with both in-state and out-of-state Department of Motor Vehicles, one delinquent notice, management reports and accounting information reports, maintaining records, archiving, and security.
- 3.17 Parking Penalty Surcharges. Pursuant to Government Code Sections 70372, 76005 and 76006, for each Agency parking citation for which fines are collected, City shall deduct a state-mandated surcharge of \$9.50 for the Criminal Justice Facility Temporary Construction Fund and the Courthouse Temporary Construction Fund. The surcharges collected under this section shall be remitted by City on behalf of the Agency to Sacramento County Auditor/Controller. The surcharge may be increased or decreased from time to time as may be mandated by state law.
- 3.18 Special Allocation for "Fix-it Ticket" Penalties. Pursuant to California Vehicle Code Section 40225(d), City shall remit fifty percent (50%) of all amounts collected for citations Agency issues for violations of Section 40225 for registration and equipment violations ("fix-it tickets"), to the Sacramento County Auditor/Controller for remittance to the State Treasurer.
- 3.19 Internet Payment Service (Optional). The City and its contract service provider shall provide an optional Internet Payment System ("Web payment") for online payment inquiry and payment processing service for the public to use. If the Agency selects this Web payment service, they agree to pay City all fees related thereto as set forth in Exhibits A.

- 3.20 Integrated Voice Response Payment System Service (Optional). City and its contract service provider shall provide an optional Telephone Integrated Voice Response (IVR) Payment System for telephone payment inquiry and payment processing service for the public to use. If Agency elects this IVR service, it agrees to pay City all fees related thereto as set forth in Exhibit A.
- 3.21 Third Party Collections Service (Optional).
- a. City has retained Law Enforcement Systems (LES) for third-party collection services. These collection services include, but are not limited to, the Franchise Tax Board lien process, secondary collection letters, and other efforts to locate the responsible party and collect citation fees and penalties. If Agency elects this service, it agrees to pay City all fees related thereto as set forth in Exhibit A.
  - b. Although City's third-party collections service allows for the collection costs to be charged to the debtor pursuant to City Code section 1.28.040, state law does not allow City to pass that cost to the debtor for Agency citations unless Agency enacts an ordinance authorizing such. Absent such legal authorization, the fees and charges set forth in Exhibit A must be paid by Agency, and City will remit third-party collections to Agency net of the charges set forth in Exhibit A.

#### **ARTICLE 4 – REPORTS AND DOCUMENTS STORAGE**

- 4.1 Citation Processing Reports. The System shall provide to Agency the following monthly reports within thirty (30) calendar days of the last day of the preceding month at no additional charge to Agency.
- Financial
  - Revenue reports and citation tracking reports
  - Management
  - Citation statistics and officer report
- 4.2 System Files. The System shall maintain computer files in standard format on each citation referred to City for processing under this Agreement. Such files shall include all records of payments, collection efforts, disposition, and any and all other information required to provide an audit trail. Upon request, City shall provide Agency with a file layout describing the manner in which the data is stored and a listing of special codes for file descriptions.
- 4.3 Record Retention and Storage. During the term of this Agreement, City shall retain all citations and payment electronic information in the System computer on behalf of Agency. The System will retain and provide all unpaid or uncleared citation data records on-line accessible during the term of this Agreement. The System will retain and provide all paid or cleared citation data records accessible on-line for a minimum of 26 months from the date of issue.

## **ARTICLE 5 – COSTS OF DOCUMENT DELIVERY**

The costs and expenses of mailing, delivering, or transmitting a citation, record, document, data, or writing shall be borne by the party making such mailing, delivery or transmittal, except as otherwise provided. The charges, the re-noticing of partial payments and Delinquency letters will be invoiced to the Agency on a monthly basis. These services will be invoiced at the then lowest current first-class postage rate available via the System.

## **ARTICLE 6 – DISCLOSURE OF RECORDS**

All Agency citation records shall be the property of Agency. If City receives a Public Records Act request for disclosure of citation-processing records maintained by the City on Agency's behalf, City shall so notify Agency. If Agency determines to refuse disclosure of the records, Agency shall so notify City within the time stated in City's notice to Agency and shall be solely responsible for any subsequent response or litigation related to the request. Agency shall pay any and all costs which City or Agency may incur in connection with the request, including (i) attorney fees reasonably incurred by City if litigation ensues and Agency does not represent City at Agency's sole cost, and (ii) any attorney fees, court costs, or other sums which may become payable to the requesting party as ordered by any court which reviews the matter. If, after City gives Agency notice of a Public Records Act request, Agency does not both (a) expressly notify City that it objects to disclosure, and (b) expressly assume responsibility for responding to the request, City may disclose the requested records. Agency shall defend and hold City harmless, as set forth in Article 8, Indemnity And Hold Harmless, for the results of any Public Records Act disclosures made by City.

## **ARTICLE 7 – TERM**

The period of performance under this Agreement shall commence upon the Effective Date of this Agreement and shall expire three (3) years thereafter, or sooner if cancelled by either party with a 90-day written notification. At such time, City agrees to provide Agency, in computer readable form, a copy of all data files necessary to process its citations.

## **ARTICLE 8 – INDEMNITY AND HOLD HARMLESS**

Neither City nor any officer or employee of City shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement. It is also understood and agreed that Agency shall fully indemnify, defend and hold City harmless from any liability, claim, damages, costs, expenses (including attorney fees) or injury occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement.

## **ARTICLE 9 – LIMITATION OF LIABILITY**

In no event shall City be liable for special, indirect, incidental, consequential, or exemplary damages, including, without limitation, any damages resulting from loss of use, loss of data, interruption of business activities, or failure to realize savings arising out of or in connection with the use of City's services or products provided by City staff or contractors.

City's liability for damages and expenses arising out of this Agreement, whether based on a theory of contract or tort, including negligence and strict liability, shall not exceed one year's compensation of Citation Processing service fees and charges as determined by the rates in effect under Exhibit A of this Agreement.

#### **ARTICLE 10 – MODIFICATIONS**

No change, amendment or modification to this Agreement shall be effective unless it is in writing and signed by authorized representatives of the parties hereto.

#### **ARTICLE 11 – CONFIDENTIALITY OF DOCUMENTS**

All of Agency's citation data submitted to City is and shall remain the property of Agency. Except as provided otherwise in Article 6 relative to requests under the California Public Records Act, all the data prepared, assembled, or maintained by City pursuant to this Agreement is confidential and City agrees that such data shall not be made available to any individual or organization without the prior written approval of Agency; provided, however, such data shall be made available to a third party upon proper court order.

#### **ARTICLE 12 – SECURITY OF DMV DATA**

City and Agency agree that either prior to or as soon as is practical following the execution of this Agreement, both parties shall execute a Memorandum of Understanding (MOU) with DMV. City and Agency agree that all the terms and conditions contained in the MOU which they separately execute with DMV shall be binding on the parties hereto. The parties hereto agree that the terms and conditions of security of DMV data shall include, but are not limited to, the following:

##### **A. Information Use**

- 12.1 The agency requesting DMV Information ("Requester") shall not use such records and information for any purpose except that which has been approved by DMV.
- 12.2 When a non-law enforcement agency receives information from DMV records that indicates a vehicle or vessel has a Department of Justice (DOJ) stop, Requester shall immediately notify local law enforcement of its location, if known.

##### **B. General Security Requirements**

- 12.3 Requester shall maintain the security and integrity of the information it receives from DMV. A violation of any provision of the MOU, whether by omission or commission, shall be grounds for action by the DMV and may result in suspension or termination of service to requester.
- 12.4 Requester shall ensure compliance with all the security provisions of this Agreement. If fraud or abuse is suspected or confirmed, Requester shall notify the DMV's Information Services Branch-Policy Development Unit, by telephone at (916) 657-5583 within (1) one business day. A written notification containing all facts known to the Requester shall

be prepared by the Requester within three (3) business days and mailed to DMV at the following address:

Department of Motor Vehicles  
Information Services Branch Policy Development Unit – H225  
P. O. Box 924890  
Sacramento, CA 94290-0001

- 12.5 Requester shall require the system administrator and every employee having direct or indirect access to DMV records to sign a copy of the Employee Security Statement (INF 1128), upon initial authorization for access to DMV records and annually thereafter. A copy of the Requester's signed statement shall be maintained on file for at least two (2) years following de-activation or termination of the authorization and shall be available to the DMV upon demand.
- 12.6 Requester shall restrict the use and knowledge of requester codes and operational manuals to persons who have signed an Employee Security Statement.
- 12.7 Requester shall maintain a current list of names of persons authorized to access DMV records. This list shall be available to the DMV upon demand.
- 12.8 Access terminals and modems shall not be unattended while in active session unless secured by a locking device that prevents entry or receipt of information, or are placed in a locked room that is not accessible to unauthorized persons.
- 12.9 Video terminals, printers, hardcopy printouts, or any other form of duplication of DMV records that are located in public access areas shall be placed so that the copied records cannot be viewed by the public or other unauthorized persons.
- 12.10 All information received from the DMV's files must be destroyed once its legitimate use has ended. The method of destruction of DMV records shall be done in a manner which eliminates the reproduction or identification of the destroyed records in any physical or electronic form.
- 12.11 Other than to a DMV approved vendor or agent, Requester shall not disclose its DMV assigned requester code, either orally or in writing, to anyone who is not in the direct employ of Requester or who has not signed the Employee Security Statement.
- 12.12 Requester shall not sell, retain, distribute, provide or transfer any record information or portion thereof acquired under this Agreement except as authorized by the DMV.

#### **ARTICLE 13 – NOTICES**

Any notices given pursuant to this agreement shall be deemed received and effective when properly addressed, posted, and deposited in the United States mail to the respective parties as follows:

To City's Representative:

Brad Wasson, Revenue Manager  
915 "I" Street, City Hall, Rm. 1201  
Sacramento, CA 95814-2604  
Tel: (916) 808-5724  
Email: bwasson@cityofsacramento.org

To Agency's Representative:

Rhonda Kissane, Administrative Services Officer I  
Sacramento County Parking Enterprise  
Department of General Services  
725 7<sup>th</sup> Street  
Sacramento, CA, 95814  
(916) 874-8691  
kissaner@saccounty.net

#### **ARTICLE 14 – SEVERABILITY**

In the event that any condition or covenant herein is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Agreement and shall in no way affect any other covenant or condition herein contained as long as the invalid provision does not render the Agreement meaningless with regard to a material term, in which event the entire Agreement shall be void. If such condition, covenant, or other provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.

#### **ARTICLE 15 – GOVERNING LAW; VENUE**

This agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Sacramento, Superior Court. In the event of litigation in the United States District Court, venue shall lie exclusively in the Eastern District of California, in Sacramento.

#### **ARTICLE 16 – MISCELLANEOUS**

The parties waive any benefits from the principles of contra proferens and interpreting ambiguities against drafters. No party shall be deemed to be the drafter of this Agreement, or of any particular provision or provisions, and no part of this Agreement shall be construed against any party on the basis that the particular party is the drafter of any part of this Agreement. This Agreement may be executed in counterparts, and when each party hereto has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with the other signed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties hereto. Articles titles and paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.

#### **ARTICLE 17 – ENTIRE AGREEMENT**

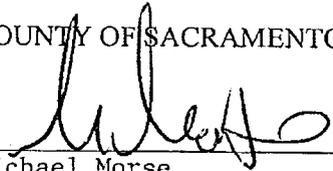
This Agreement, including any exhibits attached hereto, is the entire, complete, final and exclusive expression of the parties' intent, with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between City and Agency prior to the execution of this Agreement. In the event of any conflict between the terms, conditions and provisions of this Agreement and any other such agreement, document or instrument, the terms, conditions and provisions of this Agreement shall prevail. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

#### **ARTICLE 18 – EXHIBITS**

All exhibits referred herein are attached hereto and are incorporated herein by this reference.

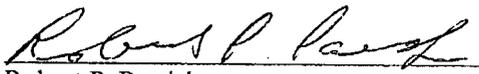
**SIGNATURE PAGE FOLLOWS**

COUNTY OF SACRAMENTO:

  
\_\_\_\_\_  
Michael Morse

1/13/10  
Date

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Robert P. Parrish  
Deputy County Counsel

1/12/10  
Date

CITY OF SACRAMENTO:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Date

Attachments:

- Exhibit A – Services and Compensation
- Exhibit B – Manner of Payment

**EXHIBIT A**

**SERVICES AND COMPENSATION**

<b>Service Description</b>	<b>Rate*</b>	<b>Required</b>	<b>Optional</b>
<b>Processing Fees charged to Agency</b>			
Citation Processing – 50 citations or less for the month	\$5.00/ea.	Yes	
Citation Processing – More than 50 citations for the month	\$2.50/ea.	Yes	
Paid Citation	\$1.00/ea.	Yes	
Dismissed Citation	\$2.00/ea.	Yes	
Administrative Review	\$15.00/ea.	Yes	
Administrative Hearing	\$30.00/ea.	Yes	
Court Action	\$25.00/ea.	Yes	
<b>Customer Service Charges</b>			
Phone Payments (IVR)	\$1.06/ea., plus		Yes
Phone Payments (IVR) Banking Costs	1.22% + \$.25/ea.		
Web Payments	\$1.06/ea., plus		Yes
Web Payments Banking Costs	1.22% + \$.25/ea.		
<b>Fees For Third-party Collection Services</b>			
Full service collections from LES	30% /ea., plus		Yes
City fee to administer the collections	5% /ea.		

\* Rates are subject to annual adjustment based on the San Francisco or Los Angeles Region CPI, as appropriate

## EXHIBIT B

### MANNER OF PAYMENT

City shall submit to Agency a statement for services rendered on a monthly basis. The statement shall be submitted to Agency no later than 45 days after the close of business of each fiscal accounting month. The statement will include a breakout of information as selected by Agency from the following list:

- Total dollar amount of payments received for month
- Total number of citations received and processed by City for month
- Total amount of collection fees for the month
- Total number of citations paid for the month
- Total number and amount of Web and IVR payments for the month
- Total number of dismissed citations for the month
- Total number of Administrative Review transactions processed for month
- Total costs of Administrative Hearings held
- Total parking penalties due to the state for the month
- Total Fifty percent (50%) of parking penalties collected for fix-it citations for the month

City will send to the Agency a net check with monthly statement as follows:

Total payments collected:

Less Processing Costs  
Less Collection Fees  
Less Paid Citation Costs  
Less Web and IVR Costs  
Less Dismissed Citation Costs  
Less Administrative Review Costs  
Less Administrative Hearing Costs  
Less State-mandated Surcharges

Equals: **Net Total due to Agency**

**AGREEMENT FOR PROCESSING SERVICES FOR PARKING CITATIONS  
FOR THE SACRAMENTO METRO FIRE DISTRICT**

This Agreement is entered into as of this 1<sup>st</sup> day of May <sup>2010</sup>~~2009~~ ("Effective Date"), by and between the Sacramento Metro Fire District ("Agency") and the City of Sacramento ("City").

Whereas Assembly Bill 408 (Stats 1992, Ch. 1244) mandated the transfer of the responsibility for processing parking citations and collection of parking penalties from the state courts to the issuing local agencies effective January 1, 1994; and

Whereas California Vehicle Code Section 40200.5 authorizes public agencies that issue parking citations to contract with a city, county or private vendor to process its parking citations and collect the penalties therefore; and

Whereas City has the capability to perform such processing services via an automated information system (System) and has an established adjudication program for parking citations; and

Whereas Agency desires to have City provide citation-processing and payment-collection services for Agency's parking citations;

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants hereinafter set forth, Agency and City agree as follows:

**ARTICLE 1 – DEFINITIONS**

- 1.1 Parking Citation: means a notice of parking violation issued by any Peace Officer or other employee authorized by resolution of Agency to enforce parking and related laws.
- 1.2 Parking Violation: means any parking violation specified in the California Vehicle Code or local ordinance.
- 1.3 Parking Penalty: means any penalty incurred by a parking violation including, but not limited to, fines, late payment penalties, administrative fees, assessments, state-mandated surcharges, and costs of collection.
- 1.4 Services: means any of the services described in Article 3 or Exhibit A of this Agreement.

**ARTICLE 2 – AGENCY'S DUTIES**

- 2.1 Duties. Agency agrees to the following obligations:
    - a. To fully cooperate with City and its contract service providers.
    - b. To timely provide City with all information deemed necessary for the performance of its services under this Agreement.
-

2.2 Required Information. Agency agrees to provide to City on a weekly basis copies of citations to be processed. Citations will be processed in accordance with this Agreement only if all the following informational items are supplied by Agency:

- citation issue time;
- citation date;
- citation number;
- location where citation is issued;
- name of issuing agency; and
- section number and description of the California Vehicle Code section or local ordinance that is the legal basis for the citation.

### ARTICLE 3 – SERVICES AND COMPENSATION

#### A. Citation Services

3.1 Scope of Services. City shall provide Agency with parking-citation processing services including, but are not limited to, the receipt, deposit, acceptance of forfeitures and otherwise process the payment of parking penalties for all parking citations issued by Agency and submitted to City for processing. Services also include notifying parking violators of penalties, accepting payment of fines, and pursuing collection of unpaid citations. The extent of collection activities shall be determined at the City's sole discretion, and may be limited to the delinquency notices specified elsewhere in this Agreement and processing of Department of Motor Vehicles (DMV) holds on vehicle registrations.

3.2 Time, Place, and Manner. City shall provide said services at the time, place, and in the manner specified herein. Services to be provided by City to Agency are as follows:

- a. Provide to Agency via DMV the filing of delinquency notices, and the placement and removal of DMV holds by City, all of which shall be accomplished in accordance with applicable law and within the timeframe established by City.
- b. Provide access to motor vehicle agencies of other states other than California to retrieve details of registered owner information. Agency shall provide a letter from its Chief of Police which authorizes said process. Out-of-state access will be provided subject to the policies, practices, and operating rules utilized by the state controlling access.
- c. Provide Agency with such other services as may be requested by Agency during the term of this Agreement, including, without limitation, such assistance and cooperation as may be requested by Agency in the event a claim or action is brought against Agency relating to services City rendered under this Agreement. Any expenses incurred by City on behalf of Agency shall be paid by Agency.
- d. A citation shall not be considered as being processed until it is entered into the System by City.

3.3 Agency Permission Required. In the performance of services hereunder, City shall not do or undertake any of the following actions without the express, prior written permission of Agency:

- take any legal action on behalf of Agency against any person who is issued a citation by Agency;
- threaten to take any legal action on behalf of Agency against any person who is issued a citation by Agency;
- make any communication, oral or written, regarding potential legal action on behalf of Agency against any person who is issued a citation by Agency.

**B. Processing of Citations**

3.4 Collection of Citations. Agency on a weekly basis will transmit to City all citations which are generated in handwriting or by portable mechanical ticket-writers, and City shall process all citations and mail notices in accordance with the schedule established by City.

3.5 Determination of Processable Citations. The System shall screen each new citation issued by Agency to determine whether the citation contains all the information necessary to process it. If the citation is determined by the System to be unprocessable (i.e., if any of the information specified in Section 2.2, above, is missing or illegible), the citation will be added to an on-line edit exception report. The System shall make available an on-line report of the number of mismatched citations and tickets and the number of delinquent citations. Agency agrees to provide to City the required data to modify and/or delete mismatched citations, as deemed appropriate by City. City shall receive no additional compensation for processing a corrected citation that is resubmitted for processing, except for any required postage and handling, which Agency agrees to pay.

3.6 Delinquency Notices. City shall generate, on a schedule designated by City, delinquency notices ("Notices") for citations that remain unpaid on their due date. City shall oversee mailing of these Notices to the registered owners of the vehicles cited, by first class mail.

3.7 Identification of Registered Vehicle Owners. The System shall make a maximum of five (5) attempts (but no more than one attempt every seven calendar days) to obtain the name and address of the registered vehicle owner from the DMV for each vehicle for which an Agency citation has been issued and payment has not been received within the required time period. City will respond to all telephone inquiries received from the public concerning noticed citations, except telephone inquiries for which a response by Agency is warranted in light of Agency's ability to provide a solution. City shall follow all procedures specified by DMV, and shall act in accordance with the California Vehicle Code when registered vehicle owners are identified.

3.8 Verification of Ownership. With each attempt to verify ownership through DMV, the System shall ensure that adequate identification of registered vehicle owners and verification procedures are utilized, taking into consideration, at the very least, the following factors:

- issuance of new license plates;
- address changes;
- transfer of ownership;
- license plate transfers to other vehicles (sub-plated);
- name changes;
- validity of plates and registration during specific time periods applicable to individual cases ("as of" date).

- 3.9 Notification to Lessee and/or Second Reported Owner. Using the System, City shall notify by mail any delinquent lessee and/or second reported owner whose name and address are provided in the information received from DMV. Each such notification shall be considered a separate Notice. City shall follow the lien process established under California law before it proceeds against a subsequent purchaser of a used vehicle which has been cited by Agency.
- 3.10 Placing Vehicle Registration Holds. The System shall automatically place a hold with DMV on the registration of vehicles for which citations and fees remain unpaid by the registered owners of such vehicles in accordance with, and within the time period provided in, the California Vehicle Code and other applicable laws. The commencement of the time period from the date of the Notice will be specified by City, or as that minimum time period is amended in the California Vehicle Code. The System shall transmit such holds to DMV, via on-line computer system transmission, for all citations that have not been paid in full or dismissed. The cost for DMV holds (currently \$3.00 each) shall be paid by Agency unless Agency opts to purchase third-party collections service. The charge for DMV holds may be increased or decreased from time to time as may be mandated by DMV.
- 3.11 Removal of Registration Holds. Once a registered vehicle owner remits the entire amount of penalties due on unpaid parking citations to the satisfaction of City on behalf of Agency, the System shall electronically notify DMV within five (5) calendar days to remove the registration hold on that vehicle.
- 3.12 Out-of-State Citations. Citations issued for vehicles with out-of-state registration will be processed separately, but using the same procedures used for in-state citations. If such citations become delinquent, the System shall attempt to electronically request the registered vehicle owner's information from the motor vehicle agency of the appropriate state. If City is able to obtain the required information for the owner, a delinquency notice shall be sent to the registered vehicle owner requesting that the owner remit the bail amount made payable to City.
- 3.13 Suspension of Processing. City shall suspend the processing of any citations issued by Agency upon receipt of appropriate notice to do so from Agency. Any outstanding fees due to City or revenue due to Agency shall be calculated as of the date processing is suspended.
- 3.14 Use of Approved Forms. All forms, delinquency notices, and correspondence sent by the System shall conform to applicable law.
-

**C. Payment**

- 3.15 Payment: Agency shall pay City for services rendered pursuant to this Agreement at the times and in the manner set forth herein and in Exhibit B. Except as provided otherwise in this Article 3.C, the fees and charges specified in Exhibit A shall be the only payments to be made to City for services rendered pursuant to this Agreement, unless Agency requests additional services not listed on Exhibit A. If Agency requests additional service, City shall provide an estimate of the additional charges and Agency must approve the additional service before City shall perform the service. City shall submit all billings for services to Agency in the manner specified in Exhibit B.
- 3.16 Citation Processing Fees Subject to Annual Adjustment. Exhibit A provides both required and optional services that can be purchased by Agency. Agency agrees to pay City the fees described in Exhibit A for all required services and any optional services Agency elects to purchase. City's current rates are subject to an annual adjustment. The citation processing fees, including but not limited to those set forth in Exhibits A, shall be adjusted July 1 of each year based on the annual percentage change in the San Francisco Region Consumer Price Index (CPI), as identified each June 1; provided, however, rates for third-party collections will be adjusted by City's contractor based on the Los Angeles Region CPI. The annual adjustment shall not exceed three and one half percent (3.5%) in any one year. The annual adjustment to the citation processing fees shall commence July 1, 2010 and shall be applicable for each year thereafter during the term of this Agreement. Basic citation processing shall include data entry of each citation submitted, payment collection, identification of registered owners, accounting and control of citations, interface with both in-state and out-of-state Department of Motor Vehicles, one delinquent notice, management reports and accounting information reports, maintaining records, archiving, and security.
- 3.17 Parking Penalty Surcharges. Pursuant to Government Code Sections 70372, 76005 and 76006, for each Agency parking citation for which fines are collected, City shall deduct a state-mandated surcharge of \$9.50 for the Criminal Justice Facility Temporary Construction Fund and the Courthouse Temporary Construction Fund. The surcharges collected under this section shall be remitted by City on behalf of the Agency to Sacramento County Auditor/Controller. The surcharge may be increased or decreased from time to time as may be mandated by state law.
- 3.18 Special Allocation for "Fix-it Ticket" Penalties. Pursuant to California Vehicle Code Section 40225(d), City shall remit fifty percent (50%) of all amounts collected for citations Agency issues for violations of Section 40225 for registration and equipment violations ("fix-it tickets"), to the Sacramento County Auditor/Controller for remittance to the State Treasurer.
- 3.19 Internet Payment Service (Optional). The City and its contract service provider shall provide an optional Internet Payment System ("Web payment") for online payment inquiry and payment processing service for the public to use. If the Agency selects this Web payment service, they agree to pay City all fees related thereto as set forth in Exhibits A.

- 3.20 Integrated Voice Response Payment System Service (Optional). City and its contract service provider shall provide an optional Telephone Integrated Voice Response (IVR) Payment System for telephone payment inquiry and payment processing service for the public to use. If Agency elects this IVR service, it agrees to pay City all fees related thereto as set forth in Exhibit A.
- 3.21 Third Party Collections Service (Optional).
- a. City has retained Law Enforcement Systems (LES) for third-party collection services. These collection services include, but are not limited to, the Franchise Tax Board lien process, secondary collection letters, and other efforts to locate the responsible party and collect citation fees and penalties. If Agency elects this service, it agrees to pay City all fees related thereto as set forth in Exhibit A.
  - b. Although City's third-party collections service allows for the collection costs to be charged to the debtor pursuant to City Code section 1.28.040, state law does not allow City to pass that cost to the debtor for Agency citations unless Agency enacts an ordinance authorizing such. Absent such legal authorization, the fees and charges set forth in Exhibit A must be paid by Agency, and City will remit third-party collections to Agency net of the charges set forth in Exhibit A.

#### **ARTICLE 4 – REPORTS AND DOCUMENTS STORAGE**

- 4.1 Citation Processing Reports. The System shall provide to Agency the following monthly reports within thirty (30) calendar days of the last day of the preceding month at no additional charge to Agency.
- Financial
  - Revenue reports and citation tracking reports
  - Management
  - Citation statistics and officer report
- 4.2 System Files. The System shall maintain computer files in standard format on each citation referred to City for processing under this Agreement. Such files shall include all records of payments, collection efforts, disposition, and any and all other information required to provide an audit trail. Upon request, City shall provide Agency with a file layout describing the manner in which the data is stored and a listing of special codes for file descriptions.
- 4.3 Record Retention and Storage. During the term of this Agreement, City shall retain all citations and payment electronic information in the System computer on behalf of Agency. The System will retain and provide all unpaid or uncleared citation data records on-line accessible during the term of this Agreement. The System will retain and provide all paid or cleared citation data records accessible on-line for a minimum of 26 months from the date of issue.

## **ARTICLE 5 – COSTS OF DOCUMENT DELIVERY**

The costs and expenses of mailing, delivering, or transmitting a citation, record, document, data, or writing shall be borne by the party making such mailing, delivery or transmittal, except as otherwise provided. The charges, the re-noticing of partial payments and Delinquency letters will be invoiced to the Agency on a monthly basis. These services will be invoiced at the then lowest current first-class postage rate available via the System.

## **ARTICLE 6 – DISCLOSURE OF RECORDS**

All Agency citation records shall be the property of Agency. If City receives a Public Records Act request for disclosure of citation-processing records maintained by the City on Agency's behalf, City shall so notify Agency. If Agency determines to refuse disclosure of the records, Agency shall so notify City within the time stated in City's notice to Agency and shall be solely responsible for any subsequent response or litigation related to the request. Agency shall pay any and all costs which City or Agency may incur in connection with the request, including (i) attorney fees reasonably incurred by City if litigation ensues and Agency does not represent City at Agency's sole cost, and (ii) any attorney fees, court costs, or other sums which may become payable to the requesting party as ordered by any court which reviews the matter. If, after City gives Agency notice of a Public Records Act request, Agency does not both (a) expressly notify City that it objects to disclosure, and (b) expressly assume responsibility for responding to the request, City may disclose the requested records. Agency shall defend and hold City harmless, as set forth in Article 8, Idemnity And Hold Harmless, for the results of any Public Records Act disclosures made by City.

## **ARTICLE 7 – TERM**

The period of performance under this Agreement shall commence upon the Effective Date of this Agreement and shall expire three (3) years thereafter, or sooner if cancelled by either party with a 90-day written notification. At such time, City agrees to provide Agency, in computer readable form, a copy of all data files necessary to process its citations.

## **ARTICLE 8 – INDEMNITY AND HOLD HARMLESS**

Neither City nor any officer or employee of City shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement. It is also understood and agreed that Agency shall fully indemnify, defend and hold City harmless from any liability, claim, damages, costs, expenses (including attorney fees) or injury occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement.

## **ARTICLE 9 – LIMITATION OF LIABILITY**

In no event shall City be liable for special, indirect, incidental, consequential, or exemplary damages, including, without limitation, any damages resulting from loss of use, loss of data, interruption of business activities, or failure to realize savings arising out of or in connection with the use of City's services or products provided by City staff or contractors.

City's liability for damages and expenses arising out of this Agreement, whether based on a theory of contract or tort, including negligence and strict liability, shall not exceed one year's compensation of Citation Processing service fees and charges as determined by the rates in effect under Exhibit A of this Agreement.

#### **ARTICLE 10 – MODIFICATIONS**

No change, amendment or modification to this Agreement shall be effective unless it is in writing and signed by authorized representatives of the parties hereto.

#### **ARTICLE 11 – CONFIDENTIALITY OF DOCUMENTS**

All of Agency's citation data submitted to City is and shall remain the property of Agency. Except as provided otherwise in Article 6 relative to requests under the California Public Records Act, all the data prepared, assembled, or maintained by City pursuant to this Agreement is confidential and City agrees that such data shall not be made available to any individual or organization without the prior written approval of Agency; provided, however, such data shall be made available to a third party upon proper court order.

#### **ARTICLE 12 – SECURITY OF DMV DATA**

City and Agency agree that either prior to or as soon as is practical following the execution of this Agreement, both parties shall execute a Memorandum of Understanding (MOU) with DMV. City and Agency agree that all the terms and conditions contained in the MOU which they separately execute with DMV shall be binding on the parties hereto. The parties hereto agree that the terms and conditions of security of DMV data shall include, but are not limited to, the following:

##### **A. Information Use**

- 12.1 The agency requesting DMV Information ("Requester") shall not use such records and information for any purpose except that which has been approved by DMV.
- 12.2 When a non-law enforcement agency receives information from DMV records that indicates a vehicle or vessel has a Department of Justice (DOJ) stop, Requester shall immediately notify local law enforcement of its location, if known.

##### **B. General Security Requirements**

- 12.3 Requester shall maintain the security and integrity of the information it receives from DMV. A violation of any provision of the MOU, whether by omission or commission, shall be grounds for action by the DMV and may result in suspension or termination of service to requester.
- 12.4 Requester shall ensure compliance with all the security provisions of this Agreement. If fraud or abuse is suspected or confirmed, Requester shall notify the DMV's Information Services Branch-Policy Development Unit, by telephone at (916) 657-5583 within (1) one business day. A written notification containing all facts known to the Requester shall

be prepared by the Requester within three (3) business days and mailed to DMV at the following address:

Department of Motor Vehicles  
Information Services Branch Policy Development Unit – H225  
P. O. Box 924890  
Sacramento, CA 94290-0001

- 12.5 Requester shall require the system administrator and every employee having direct or indirect access to DMV records to sign a copy of the Employee Security Statement (INF 1128), upon initial authorization for access to DMV records and annually thereafter. A copy of the Requester's signed statement shall be maintained on file for at least two (2) years following de-activation or termination of the authorization and shall be available to the DMV upon demand.
- 12.6 Requester shall restrict the use and knowledge of requester codes and operational manuals to persons who have signed an Employee Security Statement.
- 12.7 Requester shall maintain a current list of names of persons authorized to access DMV records. This list shall be available to the DMV upon demand.
- 12.8 Access terminals and modems shall not be unattended while in active session unless secured by a locking device that prevents entry or receipt of information, or are placed in a locked room that is not accessible to unauthorized persons.
- 12.9 Video terminals, printers, hardcopy printouts, or any other form of duplication of DMV records that are located in public access areas shall be placed so that the copied records cannot be viewed by the public or other unauthorized persons.
- 12.10 All information received from the DMV's files must be destroyed once its legitimate use has ended. The method of destruction of DMV records shall be done in a manner which eliminates the reproduction or identification of the destroyed records in any physical or electronic form.
- 12.11 Other than to a DMV approved vendor or agent, Requester shall not disclose its DMV assigned requester code, either orally or in writing, to anyone who is not in the direct employ of Requester or who has not signed the Employee Security Statement.
- 12.12 Requester shall not sell, retain, distribute, provide or transfer any record information or portion thereof acquired under this Agreement except as authorized by the DMV.

#### **ARTICLE 13 – NOTICES**

Any notices given pursuant to this agreement shall be deemed received and effective when properly addressed, posted, and deposited in the United States mail to the respective parties as follows:

To City's Representative:

Brad Wasson, Revenue Manager  
915 "T" Street, City Hall, Rm. 1201  
Sacramento, CA 95814-2604  
Tel: (916) 808-5724  
Email: bwasson@cityofsacramento.org

To Agency's Representative:

Fire Marshall Mike Stewart  
Sacramento Metropolitan Fire District  
Fire Prevention Bureau  
3012 Gold Canal Drive  
Rancho Cordova, CA 95670  
Tel: (916) 942-3320/(916) 859-4310  
Email: stewart.mike@smfd.ca.gov

#### **ARTICLE 14 – SEVERABILITY**

In the event that any condition or covenant herein is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Agreement and shall in no way affect any other covenant or condition herein contained as long as the invalid provision does not render the Agreement meaningless with regard to a material term, in which event the entire Agreement shall be void. If such condition, covenant, or other provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.

#### **ARTICLE 15 – GOVERNING LAW; VENUE**

This agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Sacramento, Superior Court. In the event of litigation in the United States District Court, venue shall lie exclusively in the Eastern District of California, in Sacramento.

#### **ARTICLE 16 – MISCELLANEOUS**

The parties waive any benefits from the principles of contra proferens and interpreting ambiguities against drafters. No party shall be deemed to be the drafter of this Agreement, or of any particular provision or provisions, and no part of this Agreement shall be construed against any party on the basis that the particular party is the drafter of any part of this Agreement. This Agreement may be executed in counterparts, and when each party hereto has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with the other signed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties hereto. Articles titles and paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.

## **ARTICLE 17 – ENTIRE AGREEMENT**

This Agreement, including any exhibits attached hereto, is the entire, complete, final and exclusive expression of the parties' intent, with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between City and Agency prior to the execution of this Agreement. In the event of any conflict between the terms, conditions and provisions of this Agreement and any other such agreement, document or instrument, the terms, conditions and provisions of this Agreement shall prevail. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

## **ARTICLE 18 – EXHIBITS**

All exhibits referred herein are attached hereto and are incorporated herein by this reference.

**SIGNATURE PAGE FOLLOWS**

SACRAMENTO METRO FIRE DISTRICT:

Don Dmetta, FIRE CHIEF  
Name  
Title

10/01/09  
Date

CITY OF SACRAMENTO:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

L J Duran  
City Attorney

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Date

Attachments:

- Exhibit A – Services and Compensation
- Exhibit B – Manner of Payment

**EXHIBIT A**

**SERVICES AND COMPENSATION**

<b>Service Description</b>	<b>Rate*</b>	<b>Required</b>	<b>Optional</b>
<b>Processing Fees charged to Agency</b>			
Citation Processing – 50 citations or less for the month	\$5.00/ea.	Yes	
Citation Processing – More than 50 citations for the month	\$2.50/ea.	Yes	
Paid Citation	\$1.00/ea.	Yes	
Dismissed Citation	\$2.00/ea.	Yes	
Administrative Review	\$15.00/ea.	Yes	
Administrative Hearing	\$30.00/ea.	Yes	
Court Action	\$25.00/ea.	Yes	
<b>Customer Service Charges</b>			
Phone Payments (IVR)	\$1.06/ea., plus		
Phone Payments (IVR) Banking Costs	1.22% + \$.25/ea.		
Web Payments	\$1.06/ea., plus		
Web Payments Banking Costs	1.22% + \$.25/ea.		
<b>Fees For Third-party Collection Services</b>			
Full service collections from LES	30% /ea., plus		
City fee to administer the collections	5% /ea.		

\* Rates are subject to annual adjustment based on the San Francisco or Los Angeles Region CPI, as appropriate

## EXHIBIT B

### MANNER OF PAYMENT

City shall submit to Agency a statement for services rendered on a monthly basis. The statement shall be submitted to Agency no later than 45 days after the close of business of each fiscal accounting month. The statement will include a breakout of information as selected by Agency from the following list:

- Total dollar amount of payments received for month
- Total number of citations received and processed by City for month
- Total amount of collection fees for the month
- Total number of citations paid for the month
- Total number and amount of Web and IVR payments for the month
- Total number of dismissed citations for the month
- Total number of Administrative Review transactions processed for month
- Total costs of Administrative Hearings held
- Total parking penalties due to the state for the month
- Total Fifty percent (50%) of parking penalties collected for fix-it citations for the month

City will send to the Agency a net check with monthly statement as follows:

Total payments collected:

Less Processing Costs  
Less Collection Fees  
Less Paid Citation Costs  
Less Web and IVR Costs  
Less Dismissed Citation Costs  
Less Administrative Review Costs  
Less Administrative Hearing Costs  
Less State-mandated Surcharges

**Equals: Net Total due to Agency**

**AGREEMENT FOR PROCESSING SERVICES FOR PARKING CITATIONS  
FOR THE CAL EXPO AND STATE FAIR POLICE DEPARTMENT**

This Agreement is entered into as of this 1<sup>st</sup> day of May <sup>2010</sup>~~2009~~ ("Effective Date"), by and between the Cal Expo and State Fair Police Department ("Agency") and the City of Sacramento ("City").

Whereas Assembly Bill 408 (Stats 1992, Ch. 1244) mandated the transfer of the responsibility for processing parking citations and collection of parking penalties from the state courts to the issuing local agencies effective January 1, 1994; and

Whereas California Vehicle Code Section 40200.5 authorizes public agencies that issue parking citations to contract with a city, county or private vendor to process its parking citations and collect the penalties therefore; and

Whereas City has the capability to perform such processing services via an automated information system (System) and has an established adjudication program for parking citations; and

Whereas Agency desires to have City provide citation-processing and payment-collection services for Agency's parking citations;

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants hereinafter set forth, Agency and City agree as follows:

**ARTICLE 1 – DEFINITIONS**

- 1.1 Parking Citation: means a notice of parking violation issued by any Peace Officer or other employee authorized by resolution of Agency to enforce parking and related laws.
- 1.2 Parking Violation: means any parking violation specified in the California Vehicle Code, local ordinance, or regulation set forth by the Cal Expo Board of Directors.
- 1.3 Parking Penalty: means any penalty incurred by a parking violation including, but not limited to, fines, late payment penalties, administrative fees, assessments, state-mandated surcharges, and costs of collection.
- 1.4 Services: means any of the services described in Article 3 or Exhibit A of this Agreement.

**ARTICLE 2 – AGENCY'S DUTIES**

- 2.1 Duties. Agency agrees to the following obligations:
  - a. To fully cooperate with City and its contract service providers.
  - b. To timely provide City with all information deemed necessary for the performance of its services under this Agreement.

2.2 Required Information. Agency agrees to provide to City on a weekly basis copies of citations to be processed. Citations will be processed in accordance with this Agreement only if all the following informational items are supplied by Agency:

- citation issue time;
- citation date;
- citation number;
- location where citation is issued;
- name of issuing agency; and
- section number and description of the California Vehicle Code section, local ordinance, or Cal Expo Regulation (CER) that is the legal basis for the citation.

### ARTICLE 3 – SERVICES AND COMPENSATION

#### A. Citation Services

3.1 Scope of Services. City shall provide Agency with parking-citation processing services including, but are not limited to, the receipt, deposit, acceptance of forfeitures and otherwise process the payment of parking penalties for all parking citations issued by Agency and submitted to City for processing. Services also include notifying parking violators of penalties, accepting payment of fines, and pursuing collection of unpaid citations. The extent of collection activities shall be determined at the City's sole discretion, and may be limited to the delinquency notices specified elsewhere in this Agreement and processing of Department of Motor Vehicles (DMV) holds on vehicle registrations.

3.2 Time, Place, and Manner. City shall provide said services at the time, place, and in the manner specified herein. Services to be provided by City to Agency are as follows:

- a. Provide to Agency via DMV the filing of delinquency notices, and the placement and removal of DMV holds by City, all of which shall be accomplished in accordance with applicable law and within the timeframe established by City.
- b. Provide access to motor vehicle agencies of other states other than California to retrieve details of registered owner information. Agency shall provide a letter from its Chief of Police which authorizes said process. Out-of-state access will be provided subject to the policies, practices, and operating rules utilized by the state controlling access.
- c. Provide Agency with such other services as may be requested by Agency during the term of this Agreement, including, without limitation, such assistance and cooperation as may be requested by Agency in the event a claim or action is brought against Agency relating to services City rendered under this Agreement. Any expenses incurred by City on behalf of Agency shall be paid by Agency.
- d. A citation shall not be considered as being processed until it is entered into the System by City.

3.3 Agency Permission Required. In the performance of services hereunder, City shall not do or undertake any of the following actions without the express, prior written permission of Agency:

- take any legal action on behalf of Agency against any person who is issued a citation by Agency;
- threaten to take any legal action on behalf of Agency against any person who is issued a citation by Agency;
- make any communication, oral or written, regarding potential legal action on behalf of Agency against any person who is issued a citation by Agency.

**B. Processing of Citations**

3.4 Collection of Citations. Agency on a weekly basis will transmit to City all citations which are generated in handwriting or by portable mechanical ticket-writers, and City shall process all citations and mail notices in accordance with the schedule established by City.

3.5 Determination of Processable Citations. The System shall screen each new citation issued by Agency to determine whether the citation contains all the information necessary to process it. If the citation is determined by the System to be unprocessable (i.e., if any of the information specified in Section 2.2, above, is missing or illegible), the citation will be added to an on-line edit exception report. The System shall make available an on-line report of the number of mismatched citations and tickets and the number of delinquent citations. Agency agrees to provide to City the required data to modify and/or delete mismatched citations, as deemed appropriate by City. City shall receive no additional compensation for processing a corrected citation that is resubmitted for processing, except for any required postage and handling, which Agency agrees to pay.

3.6 Delinquency Notices. City shall generate, on a schedule designated by City, delinquency notices ("Notices") for citations that remain unpaid on their due date. City shall oversee mailing of these Notices to the registered owners of the vehicles cited, by first class mail.

3.7 Identification of Registered Vehicle Owners. The System shall make a maximum of five (5) attempts (but no more than one attempt every seven calendar days) to obtain the name and address of the registered vehicle owner from the DMV for each vehicle for which an Agency citation has been issued and payment has not been received within the required time period. City will respond to all telephone inquiries received from the public concerning noticed citations, except telephone inquiries for which a response by Agency is warranted in light of Agency's ability to provide a solution. City shall follow all procedures specified by DMV, and shall act in accordance with the California Vehicle Code when registered vehicle owners are identified.

3.8 Verification of Ownership. With each attempt to verify ownership through DMV, the System shall ensure that adequate identification of registered vehicle owners and verification procedures are utilized, taking into consideration, at the very least, the following factors:

- issuance of new license plates;
- address changes;
- transfer of ownership;
- license plate transfers to other vehicles (sub-plated);
- name changes;
- validity of plates and registration during specific time periods applicable to individual cases ("as of" date).

- 3.9 Notification to Lessee and/or Second Reported Owner. Using the System, City shall notify by mail any delinquent lessee and/or second reported owner whose name and address are provided in the information received from DMV. Each such notification shall be considered a separate Notice. City shall follow the lien process established under California law before it proceeds against a subsequent purchaser of a used vehicle which has been cited by Agency.
- 3.10 Placing Vehicle Registration Holds. The System shall automatically place a hold with DMV on the registration of vehicles for which citations and fees remain unpaid by the registered owners of such vehicles in accordance with, and within the time period provided in, the California Vehicle Code and other applicable laws. The commencement of the time period from the date of the Notice will be specified by City, or as that minimum time period is amended in the California Vehicle Code. The System shall transmit such holds to DMV, via on-line computer system transmission, for all citations that have not been paid in full or dismissed. The cost for DMV holds (currently \$3.00 each) shall be paid by Agency unless Agency opts to purchase third-party collections service. The charge for DMV holds may be increased or decreased from time to time as may be mandated by DMV.
- 3.11 Removal of Registration Holds. Once a registered vehicle owner remits the entire amount of penalties due on unpaid parking citations to the satisfaction of City on behalf of Agency, the System shall electronically notify DMV within five (5) calendar days to remove the registration hold on that vehicle.
- 3.12 Out-of-State Citations. Citations issued for vehicles with out-of-state registration will be processed separately, but using the same procedures used for in-state citations. If such citations become delinquent, the System shall attempt to electronically request the registered vehicle owner's information from the motor vehicle agency of the appropriate state. If City is able to obtain the required information for the owner, a delinquency notice shall be sent to the registered vehicle owner requesting that the owner remit the bail amount made payable to City.
- 3.13 Suspension of Processing. City shall suspend the processing of any citations issued by Agency upon receipt of appropriate notice to do so from Agency. Any outstanding fees due to City or revenue due to Agency shall be calculated as of the date processing is suspended.
- 3.14 Use of Approved Forms. All forms, delinquency notices, and correspondence sent by the System shall conform to applicable law.

### C. Payment

- 3.15 Payment: Agency shall pay City for services rendered pursuant to this Agreement at the times and in the manner set forth herein and in Exhibit B. Except as provided otherwise in this Article 3.C, the fees and charges specified in Exhibit A shall be the only payments to be made to City for services rendered pursuant to this Agreement, unless Agency requests additional services not listed on Exhibit A. If Agency requests additional service, City shall provide an estimate of the additional charges and Agency must approve the additional service before City shall perform the service. City shall submit all billings for services to Agency in the manner specified in Exhibit B.
- 3.16 Citation Processing Fees Subject to Annual Adjustment. Exhibit A provides both required and optional services that can be purchased by Agency. Agency agrees to pay City the fees described in Exhibit A for all required services and any optional services Agency elects to purchase. City's current rates are subject to an annual adjustment. The citation processing fees, including but not limited to those set forth in Exhibits A, shall be adjusted July 1 of each year based on the annual percentage change in the San Francisco Region Consumer Price Index (CPI), as identified each June 1; provided, however, rates for third-party collections will be adjusted by City's contractor based on the Los Angeles Region CPI. The annual adjustment shall not exceed three and one half percent (3.5%) in any one year. The annual adjustment to the citation processing fees shall commence July 1, 2010 and shall be applicable for each year thereafter during the term of this Agreement. Basic citation processing shall include data entry of each citation submitted, payment collection, identification of registered owners, accounting and control of citations, interface with both in-state and out-of-state Department of Motor Vehicles, one delinquent notice, management reports and accounting information reports, maintaining records, archiving, and security.
- 3.17 Parking Penalty Surcharges. Pursuant to Government Code Sections 70372, 76005 and 76006, for each Agency parking citation for which fines are collected, City shall deduct a state-mandated surcharge of \$9.50 for the Criminal Justice Facility Temporary Construction Fund and the Courthouse Temporary Construction Fund. The surcharges collected under this section shall be remitted by City on behalf of the Agency to Sacramento County Auditor/Controller. The surcharge may be increased or decreased from time to time as may be mandated by state law.
- 3.18 Special Allocation for "Fix-it Ticket" Penalties. Pursuant to California Vehicle Code Section 40225(d), City shall remit fifty percent (50%) of all amounts collected for citations Agency issues for violations of Section 40225 for registration and equipment violations ("fix-it tickets"), to the Sacramento County Auditor/Controller for remittance to the State Treasurer.
- 3.19 Internet Payment Service (Optional). The City and its contract service provider shall provide an optional Internet Payment System ("Web payment") for online payment inquiry and payment processing service for the public to use. If the Agency selects this Web payment service, they agree to pay City all fees related thereto as set forth in Exhibits A.

3.20 Integrated Voice Response Payment System Service (Optional). City and its contract service provider shall provide an optional Telephone Integrated Voice Response (IVR) Payment System for telephone payment inquiry and payment processing service for the public to use. If Agency elects this IVR service, it agrees to pay City all fees related thereto as set forth in Exhibit A.

3.21 Third Party Collections Service (Optional).

- a. City has retained Law Enforcement Systems (LES) for third-party collection services. These collection services include, but are not limited to, the Franchise Tax Board lien process, secondary collection letters, and other efforts to locate the responsible party and collect citation fees and penalties. If Agency elects this service, it agrees to pay City all fees related thereto as set forth in Exhibit A.
- b. Although City's third-party collections service allows for the collection costs to be charged to the debtor pursuant to City Code section 1.28.040, state law does not allow City to pass that cost to the debtor for Agency citations unless Agency enacts an ordinance authorizing such. Absent such legal authorization, the fees and charges set forth in Exhibit A must be paid by Agency, and City will remit third-party collections to Agency net of the charges set forth in Exhibit A.

#### ARTICLE 4 – REPORTS AND DOCUMENTS STORAGE

4.1 Citation Processing Reports. The System shall provide to Agency the following monthly reports within thirty (30) calendar days of the last day of the preceding month at no additional charge to Agency.

- Financial
- Revenue reports and citation tracking reports
- Management
- Citation statistics and officer report

4.2 System Files. The System shall maintain computer files in standard format on each citation referred to City for processing under this Agreement. Such files shall include all records of payments, collection efforts, disposition, and any and all other information required to provide an audit trail. Upon request, City shall provide Agency with a file layout describing the manner in which the data is stored and a listing of special codes for file descriptions.

4.3 Record Retention and Storage. During the term of this Agreement, City shall retain all citations and payment electronic information in the System computer on behalf of Agency. The System will retain and provide all unpaid or uncleared citation data records on-line accessible during the term of this Agreement. The System will retain and provide all paid or cleared citation data records accessible on-line for a minimum of 26 months from the date of issue.

## **ARTICLE 5 – COSTS OF DOCUMENT DELIVERY**

The costs and expenses of mailing, delivering, or transmitting a citation, record, document, data, or writing shall be borne by the party making such mailing, delivery or transmittal, except as otherwise provided. The charges, the re-noticing of partial payments and Delinquency letters will be invoiced to the Agency on a monthly basis. These services will be invoiced at the then lowest current first-class postage rate available via the System.

## **ARTICLE 6 – DISCLOSURE OF RECORDS**

All Agency citation records shall be the property of Agency. If City receives a Public Records Act request for disclosure of citation-processing records maintained by the City on Agency's behalf, City shall so notify Agency. If Agency determines to refuse disclosure of the records, Agency shall so notify City within the time stated in City's notice to Agency and shall be solely responsible for any subsequent response or litigation related to the request. Agency shall pay any and all costs which City or Agency may incur in connection with the request, including (i) attorney fees reasonably incurred by City if litigation ensues and Agency does not represent City at Agency's sole cost, and (ii) any attorney fees, court costs, or other sums which may become payable to the requesting party as ordered by any court which reviews the matter. If, after City gives Agency notice of a Public Records Act request, Agency does not both (a) expressly notify City that it objects to disclosure, and (b) expressly assume responsibility for responding to the request, City may disclose the requested records. Agency shall defend and hold City harmless, as set forth in Article 8, Indemnity And Hold Harmless, for the results of any Public Records Act disclosures made by City.

## **ARTICLE 7 – TERM**

The period of performance under this Agreement shall commence upon the Effective Date of this Agreement and shall expire three (3) years thereafter, or sooner if cancelled by either party with a 90-day written notification. At such time, City agrees to provide Agency, in computer readable form, a copy of all data files necessary to process its citations.

## **ARTICLE 8 – INDEMNITY AND HOLD HARMLESS**

Neither City nor any officer or employee of City shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement. It is also understood and agreed that Agency shall fully indemnify, defend and hold City harmless from any liability, claim, damages, costs, expenses (including attorney fees) or injury occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement.

## **ARTICLE 9 – LIMITATION OF LIABILITY**

In no event shall City be liable for special, indirect, incidental, consequential, or exemplary damages, including, without limitation, any damages resulting from loss of use, loss of data, interruption of business activities, or failure to realize savings arising out of or in connection with the use of City's services or products provided by City staff or contractors.

City's liability for damages and expenses arising out of this Agreement, whether based on a theory of contract or tort, including negligence and strict liability, shall not exceed one year's compensation of Citation Processing service fees and charges as determined by the rates in effect under Exhibit A of this Agreement.

#### **ARTICLE 10 – MODIFICATIONS**

No change, amendment or modification to this Agreement shall be effective unless it is in writing and signed by authorized representatives of the parties hereto.

#### **ARTICLE 11 – CONFIDENTIALITY OF DOCUMENTS**

All of Agency's citation data submitted to City is and shall remain the property of Agency. Except as provided otherwise in Article 6 relative to requests under the California Public Records Act, all the data prepared, assembled, or maintained by City pursuant to this Agreement is confidential and City agrees that such data shall not be made available to any individual or organization without the prior written approval of Agency; provided, however, such data shall be made available to a third party upon proper court order.

#### **ARTICLE 12 – SECURITY OF DMV DATA**

City and Agency agree that either prior to or as soon as is practical following the execution of this Agreement, both parties shall execute a Memorandum of Understanding (MOU) with DMV. City and Agency agree that all the terms and conditions contained in the MOU which they separately execute with DMV shall be binding on the parties hereto. The parties hereto agree that the terms and conditions of security of DMV data shall include, but are not limited to, the following:

##### **A. Information Use**

- 12.1 The agency requesting DMV Information ("Requester") shall not use such records and information for any purpose except that which has been approved by DMV.
- 12.2 When a non-law enforcement agency receives information from DMV records that indicates a vehicle or vessel has a Department of Justice (DOJ) stop, Requester shall immediately notify local law enforcement of its location, if known.

##### **B. General Security Requirements**

- 12.3 Requester shall maintain the security and integrity of the information it receives from DMV. A violation of any provision of the MOU, whether by omission or commission, shall be grounds for action by the DMV and may result in suspension or termination of service to requester.
- 12.4 Requester shall ensure compliance with all the security provisions of this Agreement. If fraud or abuse is suspected or confirmed, Requester shall notify the DMV's Information Services Branch-Policy Development Unit, by telephone at (916) 657-5583 within (1) one business day. A written notification containing all facts known to the Requester shall

be prepared by the Requester within three (3) business days and mailed to DMV at the following address:

Department of Motor Vehicles  
Information Services Branch Policy Development Unit – H225  
P. O. Box 924890  
Sacramento, CA 94290-0001

- 12.5 Requester shall require the system administrator and every employee having direct or indirect access to DMV records to sign a copy of the Employee Security Statement (INF 1128), upon initial authorization for access to DMV records and annually thereafter. A copy of the Requester's signed statement shall be maintained on file for at least two (2) years following de-activation or termination of the authorization and shall be available to the DMV upon demand.
- 12.6 Requester shall restrict the use and knowledge of requester codes and operational manuals to persons who have signed an Employee Security Statement.
- 12.7 Requester shall maintain a current list of names of persons authorized to access DMV records. This list shall be available to the DMV upon demand.
- 12.8 Access terminals and modems shall not be unattended while in active session unless secured by a locking device that prevents entry or receipt of information, or are placed in a locked room that is not accessible to unauthorized persons.
- 12.9 Video terminals, printers, hardcopy printouts, or any other form of duplication of DMV records that are located in public access areas shall be placed so that the copied records cannot be viewed by the public or other unauthorized persons.
- 12.10 All information received from the DMV's files must be destroyed once its legitimate use has ended. The method of destruction of DMV records shall be done in a manner which eliminates the reproduction or identification of the destroyed records in any physical or electronic form.
- 12.11 Other than to a DMV approved vendor or agent, Requester shall not disclose its DMV assigned requester code, either orally or in writing, to anyone who is not in the direct employ of Requester or who has not signed the Employee Security Statement.
- 12.12 Requester shall not sell, retain, distribute, provide or transfer any record information or portion thereof acquired under this Agreement except as authorized by the DMV.

#### ARTICLE 13 – NOTICES

Any notices given pursuant to this agreement shall be deemed received and effective when properly addressed, posted, and deposited in the United States mail to the respective parties as follows:

To City's Representative:

Brad Wasson, Revenue Manager  
915 "I" Street, City Hall, Rm. 1201  
Sacramento, CA 95814-2604  
Tel: (916) 808-5724  
Email: bwasson@cityofsacramento.org

To Agency's Representative:

Robert L. Craft, Chief of Police  
1600 Exposition Boulevard  
Sacramento, CA 95815  
Tel: (916) 263-3050  
Email: rcraft@calexpo.com

#### **ARTICLE 14 – SEVERABILITY**

In the event that any condition or covenant herein is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Agreement and shall in no way affect any other covenant or condition herein contained as long as the invalid provision does not render the Agreement meaningless with regard to a material term, in which event the entire Agreement shall be void. If such condition, covenant, or other provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.

#### **ARTICLE 15 – GOVERNING LAW; VENUE**

This agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Sacramento, Superior Court. In the event of litigation in the United States District Court, venue shall lie exclusively in the Eastern District of California, in Sacramento.

#### **ARTICLE 16 – MISCELLANEOUS**

The parties waive any benefits from the principles of contra proferens and interpreting ambiguities against drafters. No party shall be deemed to be the drafter of this Agreement, or of any particular provision or provisions, and no part of this Agreement shall be construed against any party on the basis that the particular party is the drafter of any part of this Agreement. This Agreement may be executed in counterparts, and when each party hereto has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with the other signed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties hereto. Articles titles and paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.

## **ARTICLE 17 – ENTIRE AGREEMENT**

This Agreement, including any exhibits attached hereto, is the entire, complete, final and exclusive expression of the parties' intent, with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between City and Agency prior to the execution of this Agreement. In the event of any conflict between the terms, conditions and provisions of this Agreement and any other such agreement, document or instrument, the terms, conditions and provisions of this Agreement shall prevail. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

## **ARTICLE 18 – EXHIBITS**

All exhibits referred herein are attached hereto and are incorporated herein by this reference.

SIGNATURE PAGE FOLLOWS

CAL EXPO AND STATE FAIR POLICE DEPARTMENT:

Brian May  
Name  
Title Deputy SA

11/10/09  
Date

CITY OF SACRAMENTO:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

L. J. Duran  
City Attorney

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Date

Attachments:

- Exhibit A – Services and Compensation
- Exhibit B – Manner of Payment

**EXHIBIT A**  
**SERVICES AND COMPENSATION**

Service Description	Rate*	Required	Optional
<b>Processing Fees charged to Agency</b>			
Citation Processing - 50 citations or less for the month	\$5.00/ea.	Yes	
Citation Processing - More than 50 citations for the month	\$2.50/ea.	Yes	
Paid Citation	\$1.00/ea.	Yes	
Dismissed Citation	\$2.00/ea.	Yes	
Administrative Review	\$15.00/ea.	Yes	
Administrative Hearing	\$30.00/ea.	Yes	
Court Action	\$25.00/ea.	Yes	
<b>Customer Service Charges</b>			
Phone Payments (IVR)	\$1.06/ea., plus		3-1-10
Phone Payments (IVR) Banking Costs	1.22% + \$.25/ea.		Yes R7
Web Payments	\$1.06/ea., plus		3-1-10
Web Payments Banking Costs	1.22% + \$.25/ea.		Yes R7
<b>Fees For Third-party Collection Services</b>			
Full service collections from LES	30% /ea., plus		3-1-10
City fee to administer the collections	5% /ea.		Yes R7

\* Rates are subject to annual adjustment based on the San Francisco or Los Angeles Region CPI, as appropriate

## EXHIBIT B

### MANNER OF PAYMENT

City shall submit to Agency a statement for services rendered on a monthly basis. The statement shall be submitted to Agency no later than 45 days after the close of business of each fiscal accounting month. The statement will include a breakout of information as selected by Agency from the following list:

- Total dollar amount of payments received for month
- Total number of citations received and processed by City for month
- Total amount of collection fees for the month
- Total number of citations paid for the month
- Total number and amount of Web and IVR payments for the month
- Total number of dismissed citations for the month
- Total number of Administrative Review transactions processed for month
- Total costs of Administrative Hearings held
- Total parking penalties due to the state for the month
- Total Fifty percent (50%) of parking penalties collected for fix-it citations for the month

City will send to the Agency a net check with monthly statement as follows:

Total payments collected:

Less Processing Costs  
Less Collection Fees  
Less Paid Citation Costs  
Less Web and IVR Costs  
Less Dismissed Citation Costs  
Less Administrative Review Costs  
Less Administrative Hearing Costs  
Less State-mandated Surcharges

Equals: **Net Total due to Agency**

**AGREEMENT FOR PROCESSING SERVICES FOR PARKING CITATIONS  
FOR THE TWIN RIVERS SCHOOL DISTRICT**

This Agreement is entered into as of this 1<sup>st</sup> day of May <sup>2010</sup>~~2009~~ ("Effective Date"), by and between the Twin Rivers School District ("Agency") and the City of Sacramento ("City").

Whereas Assembly Bill 408 (Stats 1992, Ch. 1244) mandated the transfer of the responsibility for processing parking citations and collection of parking penalties from the state courts to the issuing local agencies effective January 1, 1994; and

Whereas California Vehicle Code Section 40200.5 authorizes public agencies that issue parking citations to contract with a city, county or private vendor to process its parking citations and collect the penalties therefore; and

Whereas City has the capability to perform such processing services via an automated information system (System) and has an established adjudication program for parking citations; and

Whereas Agency desires to have City provide citation-processing and payment-collection services for Agency's parking citations;

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants hereinafter set forth, Agency and City agree as follows:

**ARTICLE 1 – DEFINITIONS**

- 1.1 Parking Citation: means a notice of parking violation issued by any Peace Officer or other employee authorized by resolution of Agency to enforce parking and related laws.
- 1.2 Parking Violation: means any parking violation specified in the California Vehicle Code or local ordinance.
- 1.3 Parking Penalty: means any penalty incurred by a parking violation including, but not limited to, fines, late payment penalties, administrative fees, assessments, state-mandated surcharges, and costs of collection.
- 1.4 Services: means any of the services described in Article 3 or Exhibit A of this Agreement.

**ARTICLE 2 – AGENCY'S DUTIES**

- 2.1 Duties. Agency agrees to the following obligations:
  - a. To fully cooperate with City and its contract service providers.
  - b. To timely provide City with all information deemed necessary for the performance of its services under this Agreement.

2.2 Required Information. Agency agrees to provide to City on a weekly basis copies of citations to be processed. Citations will be processed in accordance with this Agreement only if all the following informational items are supplied by Agency:

- citation issue time;
- citation date;
- citation number;
- location where citation is issued;
- name of issuing agency; and
- section number and description of the California Vehicle Code section or local ordinance that is the legal basis for the citation.

### ARTICLE 3 – SERVICES AND COMPENSATION

#### A. Citation Services

3.1 Scope of Services. City shall provide Agency with parking-citation processing services including, but are not limited to, the receipt, deposit, acceptance of forfeitures and otherwise process the payment of parking penalties for all parking citations issued by Agency and submitted to City for processing. Services also include notifying parking violators of penalties, accepting payment of fines, and pursuing collection of unpaid citations. The extent of collection activities shall be determined at the City's sole discretion, and may be limited to the delinquency notices specified elsewhere in this Agreement and processing of Department of Motor Vehicles (DMV) holds on vehicle registrations.

3.2 Time, Place, and Manner. City shall provide said services at the time, place, and in the manner specified herein. Services to be provided by City to Agency are as follows:

- a. Provide to Agency via DMV the filing of delinquency notices, and the placement and removal of DMV holds by City, all of which shall be accomplished in accordance with applicable law and within the timeframe established by City.
- b. Provide access to motor vehicle agencies of other states other than California to retrieve details of registered owner information. Agency shall provide a letter from its Chief of Police which authorizes said process. Out-of-state access will be provided subject to the policies, practices, and operating rules utilized by the state controlling access.
- c. Provide Agency with such other services as may be requested by Agency during the term of this Agreement, including, without limitation, such assistance and cooperation as may be requested by Agency in the event a claim or action is brought against Agency relating to services City rendered under this Agreement. Any expenses incurred by City on behalf of Agency shall be paid by Agency.
- d. A citation shall not be considered as being processed until it is entered into the System by City.

- 3.3 Agency Permission Required. In the performance of services hereunder, City shall not do or undertake any of the following actions without the express, prior written permission of Agency:
- take any legal action on behalf of Agency against any person who is issued a citation by Agency;
  - threaten to take any legal action on behalf of Agency against any person who is issued a citation by Agency;
  - make any communication, oral or written, regarding potential legal action on behalf of Agency against any person who is issued a citation by Agency.

**B. Processing of Citations**

- 3.4 Collection of Citations. Agency on a weekly basis will transmit to City all citations which are generated in handwriting or by portable mechanical ticket-writers, and City shall process all citations and mail notices in accordance with the schedule established by City.
- 3.5 Determination of Processable Citations. The System shall screen each new citation issued by Agency to determine whether the citation contains all the information necessary to process it. If the citation is determined by the System to be unprocessable (i.e., if any of the information specified in Section 2.2, above, is missing or illegible), the citation will be added to an on-line edit exception report. The System shall make available an on-line report of the number of mismatched citations and tickets and the number of delinquent citations. Agency agrees to provide to City the required data to modify and/or delete mismatched citations, as deemed appropriate by City. City shall receive no additional compensation for processing a corrected citation that is resubmitted for processing, except for any required postage and handling, which Agency agrees to pay.
- 3.6 Delinquency Notices. City shall generate, on a schedule designated by City, delinquency notices ("Notices") for citations that remain unpaid on their due date. City shall oversee mailing of these Notices to the registered owners of the vehicles cited, by first class mail.
- 3.7 Identification of Registered Vehicle Owners. The System shall make a maximum of five (5) attempts (but no more than one attempt every seven calendar days) to obtain the name and address of the registered vehicle owner from the DMV for each vehicle for which an Agency citation has been issued and payment has not been received within the required time period. City will respond to all telephone inquiries received from the public concerning noticed citations, except telephone inquiries for which a response by Agency is warranted in light of Agency's ability to provide a solution. City shall follow all procedures specified by DMV, and shall act in accordance with the California Vehicle Code when registered vehicle owners are identified.
- 3.8 Verification of Ownership. With each attempt to verify ownership through DMV, the System shall ensure that adequate identification of registered vehicle owners and verification procedures are utilized, taking into consideration, at the very least, the following factors:

- issuance of new license plates;
- address changes;
- transfer of ownership;
- license plate transfers to other vehicles (sub-plated);
- name changes;
- validity of plates and registration during specific time periods applicable to individual cases ("as of" date).

- 3.9 Notification to Lessee and/or Second Reported Owner. Using the System, City shall notify by mail any delinquent lessee and/or second reported owner whose name and address are provided in the information received from DMV. Each such notification shall be considered a separate Notice. City shall follow the lien process established under California law before it proceeds against a subsequent purchaser of a used vehicle which has been cited by Agency.
- 3.10 Placing Vehicle Registration Holds. The System shall automatically place a hold with DMV on the registration of vehicles for which citations and fees remain unpaid by the registered owners of such vehicles in accordance with, and within the time period provided in, the California Vehicle Code and other applicable laws. The commencement of the time period from the date of the Notice will be specified by City, or as that minimum time period is amended in the California Vehicle Code. The System shall transmit such holds to DMV, via on-line computer system transmission, for all citations that have not been paid in full or dismissed. The cost for DMV holds (currently \$3.00 each) shall be paid by Agency unless Agency opts to purchase third-party collections service. The charge for DMV holds may be increased or decreased from time to time as may be mandated by DMV.
- 3.11 Removal of Registration Holds. Once a registered vehicle owner remits the entire amount of penalties due on unpaid parking citations to the satisfaction of City on behalf of Agency, the System shall electronically notify DMV within five (5) calendar days to remove the registration hold on that vehicle.
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- 3.16 Citation Processing Fees Subject to Annual Adjustment. Exhibit A provides both required and optional services that can be purchased by Agency. Agency agrees to pay City the fees described in Exhibit A for all required services and any optional services Agency elects to purchase. City's current rates are subject to an annual adjustment. The citation processing fees, including but not limited to those set forth in Exhibits A, shall be adjusted July 1 of each year based on the annual percentage change in the San Francisco Region Consumer Price Index (CPI), as identified each June 1; provided, however, rates for third-party collections will be adjusted by City's contractor based on the Los Angeles Region CPI. The annual adjustment shall not exceed three and one half percent (3.5%) in any one year. The annual adjustment to the citation processing fees shall commence July 1, 2010 and shall be applicable for each year thereafter during the term of this Agreement. Basic citation processing shall include data entry of each citation submitted, payment collection, identification of registered owners, accounting and control of citations, interface with both in-state and out-of-state Department of Motor Vehicles, one delinquent notice, management reports and accounting information reports, maintaining records, archiving, and security.
- 3.17 Parking Penalty Surcharges. Pursuant to Government Code Sections 70372, 76005 and 76006, for each Agency parking citation for which fines are collected, City shall deduct a state-mandated surcharge of \$9.50 for the Criminal Justice Facility Temporary Construction Fund and the Courthouse Temporary Construction Fund. The surcharges collected under this section shall be remitted by City on behalf of the Agency to Sacramento County Auditor/Controller. The surcharge may be increased or decreased from time to time as may be mandated by state law.
- 3.18 Special Allocation for "Fix-it Ticket" Penalties. Pursuant to California Vehicle Code Section 40225(d), City shall remit fifty percent (50%) of all amounts collected for citations Agency issues for violations of Section 40225 for registration and equipment violations ("fix-it tickets"), to the Sacramento County Auditor/Controller for remittance to the State Treasurer.
- 3.19 Internet Payment Service (Optional). The City and its contract service provider shall provide an optional Internet Payment System ("Web payment") for online payment inquiry and payment processing service for the public to use. If the Agency selects this Web payment service, they agree to pay City all fees related thereto as set forth in Exhibits A.

- 3.20 Integrated Voice Response Payment System Service (Optional). City and its contract service provider shall provide an optional Telephone Integrated Voice Response (IVR) Payment System for telephone payment inquiry and payment processing service for the public to use. If Agency elects this IVR service, it agrees to pay City all fees related thereto as set forth in Exhibit A.
- 3.21 Third Party Collections Service (Optional).
- a. City has retained Law Enforcement Systems (LES) for third-party collection services. These collection services include, but are not limited to, the Franchise Tax Board lien process, secondary collection letters, and other efforts to locate the responsible party and collect citation fees and penalties. If Agency elects this service, it agrees to pay City all fees related thereto as set forth in Exhibit A.
  - b. Although City's third-party collections service allows for the collection costs to be charged to the debtor pursuant to City Code section 1.28.040, state law does not allow City to pass that cost to the debtor for Agency citations unless Agency enacts an ordinance authorizing such. Absent such legal authorization, the fees and charges set forth in Exhibit A must be paid by Agency, and City will remit third-party collections to Agency net of the charges set forth in Exhibit A.

#### ARTICLE 4 – REPORTS AND DOCUMENTS STORAGE

- 4.1 Citation Processing Reports. The System shall provide to Agency the following monthly reports within thirty (30) calendar days of the last day of the preceding month at no additional charge to Agency.
- Financial
  - Revenue reports and citation tracking reports
  - Management
  - Citation statistics and officer report
- 4.2 System Files. The System shall maintain computer files in standard format on each citation referred to City for processing under this Agreement. Such files shall include all records of payments, collection efforts, disposition, and any and all other information required to provide an audit trail. Upon request, City shall provide Agency with a file layout describing the manner in which the data is stored and a listing of special codes for file descriptions.
- 4.3 Record Retention and Storage. During the term of this Agreement, City shall retain all citations and payment electronic information in the System computer on behalf of Agency. The System will retain and provide all unpaid or uncleared citation data records on-line accessible during the term of this Agreement. The System will retain and provide all paid or cleared citation data records accessible on-line for a minimum of 26 months from the date of issue.

#### **ARTICLE 5 – COSTS OF DOCUMENT DELIVERY**

The costs and expenses of mailing, delivering, or transmitting a citation, record, document, data, or writing shall be borne by the party making such mailing, delivery or transmittal, except as otherwise provided. The charges, the re-noticing of partial payments and Delinquency letters will be invoiced to the Agency on a monthly basis. These services will be invoiced at the then lowest current first-class postage rate available via the System.

#### **ARTICLE 6 – DISCLOSURE OF RECORDS**

All Agency citation records shall be the property of Agency. If City receives a Public Records Act request for disclosure of citation-processing records maintained by the City on Agency's behalf, City shall so notify Agency. If Agency determines to refuse disclosure of the records, Agency shall so notify City within the time stated in City's notice to Agency and shall be solely responsible for any subsequent response or litigation related to the request. Agency shall pay any and all costs which City or Agency may incur in connection with the request, including (i) attorney fees reasonably incurred by City if litigation ensues and Agency does not represent City at Agency's sole cost, and (ii) any attorney fees, court costs, or other sums which may become payable to the requesting party as ordered by any court which reviews the matter. If, after City gives Agency notice of a Public Records Act request, Agency does not both (a) expressly notify City that it objects to disclosure, and (b) expressly assume responsibility for responding to the request, City may disclose the requested records. Agency shall defend and hold City harmless, as set forth in Article 8, Idemnity And Hold Harmless, for the results of any Public Records Act disclosures made by City.

#### **ARTICLE 7 – TERM**

The period of performance under this Agreement shall commence upon the Effective Date of this Agreement and shall expire three (3) years thereafter, or sooner if cancelled by either party with a 90-day written notification. At such time, City agrees to provide Agency, in computer readable form, a copy of all data files necessary to process its citations.

#### **ARTICLE 8 – INDEMNITY AND HOLD HARMLESS**

Neither City nor any officer or employee of City shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement. It is also understood and agreed that Agency shall fully indemnify, defend and hold City harmless from any liability, claim, damages, costs, expenses (including attorney fees) or injury occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement.

#### **ARTICLE 9 – LIMITATION OF LIABILITY**

In no event shall City be liable for special, indirect, incidental, consequential, or exemplary damages, including, without limitation, any damages resulting from loss of use, loss of data, interruption of business activities, or failure to realize savings arising out of or in connection with the use of City's services or products provided by City staff or contractors.

City's liability for damages and expenses arising out of this Agreement, whether based on a theory of contract or tort, including negligence and strict liability, shall not exceed one year's compensation of Citation Processing service fees and charges as determined by the rates in effect under Exhibit A of this Agreement.

#### **ARTICLE 10 – MODIFICATIONS**

No change, amendment or modification to this Agreement shall be effective unless it is in writing and signed by authorized representatives of the parties hereto.

#### **ARTICLE 11 – CONFIDENTIALITY OF DOCUMENTS**

All of Agency's citation data submitted to City is and shall remain the property of Agency. Except as provided otherwise in Article 6 relative to requests under the California Public Records Act, all the data prepared, assembled, or maintained by City pursuant to this Agreement is confidential and City agrees that such data shall not be made available to any individual or organization without the prior written approval of Agency; provided, however, such data shall be made available to a third party upon proper court order.

#### **ARTICLE 12 – SECURITY OF DMV DATA**

City and Agency agree that either prior to or as soon as is practical following the execution of this Agreement, both parties shall execute a Memorandum of Understanding (MOU) with DMV. City and Agency agree that all the terms and conditions contained in the MOU which they separately execute with DMV shall be binding on the parties hereto. The parties hereto agree that the terms and conditions of security of DMV data shall include, but are not limited to, the following:

##### **A. Information Use**

- 12.1 The agency requesting DMV Information ("Requester") shall not use such records and information for any purpose except that which has been approved by DMV.
- 12.2 When a non-law enforcement agency receives information from DMV records that indicates a vehicle or vessel has a Department of Justice (DOJ) stop, Requester shall immediately notify local law enforcement of its location, if known.

##### **B. General Security Requirements**

- 12.3 Requester shall maintain the security and integrity of the information it receives from DMV. A violation of any provision of the MOU, whether by omission or commission, shall be grounds for action by the DMV and may result in suspension or termination of service to requester.
- 12.4 Requester shall ensure compliance with all the security provisions of this Agreement. If fraud or abuse is suspected or confirmed, Requester shall notify the DMV's Information Services Branch-Policy Development Unit, by telephone at (916) 657-5583 within (1) one business day. A written notification containing all facts known to the Requester shall

be prepared by the Requester within three (3) business days and mailed to DMV at the following address:

Department of Motor Vehicles  
Information Services Branch Policy Development Unit – H225  
P. O. Box 924890  
Sacramento, CA 94290-0001

- 12.5 Requester shall require the system administrator and every employee having direct or indirect access to DMV records to sign a copy of the Employee Security Statement (INF 1128), upon initial authorization for access to DMV records and annually thereafter. A copy of the Requester's signed statement shall be maintained on file for at least two (2) years following de-activation or termination of the authorization and shall be available to the DMV upon demand.
- 12.6 Requester shall restrict the use and knowledge of requester codes and operational manuals to persons who have signed an Employee Security Statement.
- 12.7 Requester shall maintain a current list of names of persons authorized to access DMV records. This list shall be available to the DMV upon demand.
- 12.8 Access terminals and modems shall not be unattended while in active session unless secured by a locking device that prevents entry or receipt of information, or are placed in a locked room that is not accessible to unauthorized persons.
- 12.9 Video terminals, printers, hardcopy printouts, or any other form of duplication of DMV records that are located in public access areas shall be placed so that the copied records cannot be viewed by the public or other unauthorized persons.
- 12.10 All information received from the DMV's files must be destroyed once its legitimate use has ended. The method of destruction of DMV records shall be done in a manner which eliminates the reproduction or identification of the destroyed records in any physical or electronic form.
- 12.11 Other than to a DMV approved vendor or agent, Requester shall not disclose its DMV assigned requester code, either orally or in writing, to anyone who is not in the direct employ of Requester or who has not signed the Employee Security Statement.
- 12.12 Requester shall not sell, retain, distribute, provide or transfer any record information or portion thereof acquired under this Agreement except as authorized by the DMV.

#### ARTICLE 13 – NOTICES

Any notices given pursuant to this agreement shall be deemed received and effective when properly addressed, posted, and deposited in the United States mail to the respective parties as follows:

To City's Representative:

Brad Wasson, Revenue Manager  
915 "I" Street, City Hall, Rm. 1201  
Sacramento, CA 95814-2604  
Tel: (916) 808-5724  
Email: [bwasson@cityofsacramento.org](mailto:bwasson@cityofsacramento.org)

To Agency's Representative:

*Twin Rivers District Police Department  
ATTN: Supervisors Office  
3222 Winona Way  
North Highlands, CA 95660*

#### **ARTICLE 14 – SEVERABILITY**

In the event that any condition or covenant herein is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Agreement and shall in no way affect any other covenant or condition herein contained as long as the invalid provision does not render the Agreement meaningless with regard to a material term, in which event the entire Agreement shall be void. If such condition, covenant, or other provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.

#### **ARTICLE 15 – GOVERNING LAW; VENUE**

This agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Sacramento, Superior Court. In the event of litigation in the United States District Court, venue shall lie exclusively in the Eastern District of California, in Sacramento.

#### **ARTICLE 16 – MISCELLANEOUS**

The parties waive any benefits from the principles of contra proferens and interpreting ambiguities against drafters. No party shall be deemed to be the drafter of this Agreement, or of any particular provision or provisions, and no part of this Agreement shall be construed against any party on the basis that the particular party is the drafter of any part of this Agreement. This Agreement may be executed in counterparts, and when each party hereto has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with the other signed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties hereto. Articles titles and paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.

## **ARTICLE 17 – ENTIRE AGREEMENT**

This Agreement, including any exhibits attached hereto, is the entire, complete, final and exclusive expression of the parties' intent, with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between City and Agency prior to the execution of this Agreement. In the event of any conflict between the terms, conditions and provisions of this Agreement and any other such agreement, document or instrument, the terms, conditions and provisions of this Agreement shall prevail. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

## **ARTICLE 18 – EXHIBITS**

All exhibits referred herein are attached hereto and are incorporated herein by this reference.

**SIGNATURE PAGE FOLLOWS**

TWIN RIVERS SCHOOL DISTRICT:

Tiger Poben  
Name

Asst. Sup. Schools Comm. & Relations  
Title

CITY OF SACRAMENTO:

December 7, 2009  
Date

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

L. J. Duran  
City Attorney

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Date

Attachments:

- Exhibit A – Services and Compensation
- Exhibit B – Manner of Payment

**EXHIBIT A**

**SERVICES AND COMPENSATION**

Service Description	Rate*	Required	Optional
<b>Processing Fees charged to Agency</b>			
Citation Processing – 50 citations or less for the month	\$5.00/ea.	Yes	
Citation Processing – More than 50 citations for the month	\$2.50/ea.	Yes	
Paid Citation	\$1.00/ea.	Yes	
Dismissed Citation	\$2.00/ea.	Yes	
Administrative Review	\$15.00/ea.	Yes	
Administrative Hearing	\$30.00/ea.	Yes	
Court Action	\$25.00/ea.	Yes	
<b>Customer Service Charges</b>			
Phone Payments (IVR)	\$1.06/ea., plus		
Phone Payments (IVR) Banking Costs	1.22% + \$.25/ea.		X
Web Payments	\$1.06/ea., plus		
Web Payments Banking Costs	1.22% + \$.25/ea.		X
<b>Fees For Third-party Collection Services</b>			
Full service collections from LES	30% /ea., plus		
City fee to administer the collections	5% /ea.		

\* Rates are subject to annual adjustment based on the San Francisco or Los Angeles Region CPI, as appropriate

## EXHIBIT B

### MANNER OF PAYMENT

City shall submit to Agency a statement for services rendered on a monthly basis. The statement shall be submitted to Agency no later than 45 days after the close of business of each fiscal accounting month. The statement will include a breakout of information as selected by Agency from the following list:

- Total dollar amount of payments received for month
- Total number of citations received and processed by City for month
- Total amount of collection fees for the month
- Total number of citations paid for the month
- Total number and amount of Web and IVR payments for the month
- Total number of dismissed citations for the month
- Total number of Administrative Review transactions processed for month
- Total costs of Administrative Hearings held
- Total parking penalties due to the state for the month
- Total Fifty percent (50%) of parking penalties collected for fix-it citations for the month

City will send to the Agency a net check with monthly statement as follows:

Total payments collected:

Less Processing Costs  
Less Collection Fees  
Less Paid Citation Costs  
Less Web and IVR Costs  
Less Dismissed Citation Costs  
Less Administrative Review Costs  
Less Administrative Hearing Costs  
Less State-mandated Surcharges

Equals: **Net Total due to Agency**