

**SERVICE AGREEMENT BETWEEN  
THE CITY OF HUNTINGTON BEACH AND  
Turbo Data Systems, Inc  
FOR  
Parking Citation Payment Processing**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Huntington Beach a municipal corporation of the State of California, hereinafter called "City," and Turbo Data Systems, Inc., a California Corporation hereinafter referred to as "Contractor."

**Recitals**

- A. The City desires to retain a Contractor having special skill and knowledge in the field of payment processing related to parking citation issuance and collection.
- B. Contractor represents that Contractor is able and willing to provide such services to the City.
- C. In undertaking the performance of this Agreement, Contractor represents that it is knowledgeable in its field and that any services performed by Contractor under this Agreement will be performed in compliance with such standards as may reasonably be expected from a comparable company or firm in the field.

Contractor has been selected to perform these services pursuant to Huntington Beach Municipal Code Chapter 3.02,

NOW, THEREFORE, it is agreed by City and Contractor as follows:

**1. Scope of Services**

Contractor shall provide all services as described in Exhibit "A," which is attached hereto and incorporated into this Agreement by this reference. These services shall sometimes hereinafter be referred to as the "Project."

Contractor hereby designates Roberta Rosen who shall represent it and be its sole contact and agent in all consultations with City during the performance of this Agreement.

**2. City Staff Assistance**

City shall assign a staff coordinator to work directly with Contractor in the performance of this Agreement.

### **3. Compensation**

a. City agrees to pay, and Contractor agrees to accept as total payment for its services, the rates and charges identified in Exhibit A. The total sum to be expended under this Agreement, shall not exceed \$370,000 during the term of this Agreement.

b. Payment by City shall be made within thirty (30) days following receipt of proper invoice evidencing work performed, subject to City accounting procedures. Payment need not be made for work which fails to meet the standards of performance set forth in the Recitals which may reasonably be expected by City.

c. Contractor shall be paid pursuant to the terms of Exhibit "B."

### **4. Term**

Time is of the essence of this Agreement. The services of Contractor are to commence as soon as practicable after the execution of this Agreement by City (the "Commencement Date") and terminate July 1, 2015, unless terminated earlier in accordance with the provisions of this Agreement. All tasks specified in Exhibit "A" shall be completed no later than three (3) years from the Commencement Date. The time for performance of the tasks identified in Exhibit "A" are generally to be shown in Exhibit "A." This schedule and Term may be amended to benefit the Project if mutually agreed to in writing by City and Contractor.

In the event the Commencement Date precedes the Effective Date, Contractor shall be bound by all terms and conditions as provided herein.

### **5. Extra Work**

In the event City requires additional services not included in Exhibit "A" or changes in the scope of services described in Exhibit "A," Contractor will undertake such work only after receiving written authorization from City. Additional compensation for such extra work shall be allowed only if the prior written approval of City is obtained.

### **6. Disposition of Plans, Estimates and Other Documents**

Contractor agrees that title to all materials prepared hereunder, including, without limitation, all original drawings, designs, reports, both field and office notices, calculations computer code, language, data or programs, maps, memoranda, letters and other documents, shall belong to City, and Contractor shall turn these materials over to City upon expiration or termination of this Agreement or upon Project completion, whichever shall occur first. These materials may be used by City as it sees fit.

### **7. Hold Harmless**

Contractor hereby agrees to protect, defend, indemnify and hold harmless City, its officers, elected or appointed officials, employees, agents, and volunteers from and against any and all claims, damages, losses, expenses, judgments, demands and defense costs, and consequential

damage or liability of any kind or nature, however caused, including those resulting from death or injury to Contractor's employees and damage to Contractor's property, arising directly or indirectly out of the obligations or operations herein undertaken by Contractor, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, including but not limited to concurrent active or passive negligence, except where caused by the active negligence, sole negligence, or willful misconduct of the City. Contractor will conduct all defense at its sole cost and expense. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Contractor.

#### **8. Workers Compensation Insurance**

Pursuant to California Labor Code Section 1861, Contractor acknowledges awareness of Section 3700 *et seq.* of this Code, which requires every employer to be insured against liability for workers' compensation; Contractor covenants that it will comply with such provisions prior to commencing performance of the work hereunder.

Contractor shall obtain and furnish to City workers' compensation and employer's liability insurance in an amount of not less than the State statutory limits.

Contractor shall require all subcontractors to provide such workers' compensation and employer's liability insurance for all of the subcontractors' employees. Contractor shall furnish to City a certificate of waiver of subrogation under the terms of the workers' compensation and employer's liability insurance and Contractor shall similarly require all subcontractors to waive subrogation.

#### **9. General Liability Insurance**

In addition to the workers' compensation and employer's liability insurance and Contractor's covenant to defend, hold harmless and indemnify City, Contractor shall obtain and furnish to City, a policy of general public liability insurance, including motor vehicle coverage covering the Project/Service. This policy shall indemnify Contractor, its officers, employees and agents while acting within the scope of their duties, against any and all claims arising out or in connection with the Project/Service, and shall provide coverage in not less than the following amount: combined single limit bodily injury and property damage, including products/completed operations liability and blanket contractual liability, of One Million Dollars (\$1,000,000) per occurrence. If coverage is provided under a form which includes a designated general aggregate limit, the aggregate limit must be no less than One Million Dollars (\$1,000,000) for this Project/Service. This policy shall name City, its officers, elected or appointed officials, employees, agents, and volunteers as Additional Insureds, and shall specifically provide that any other insurance coverage which may be applicable to the Project/Service shall be deemed excess coverage and that Contractor's insurance shall be primary.

Under no circumstances shall said above-mentioned insurance contain a self-insured retention, or a "deductible" or any other similar form of limitation on the required coverage.

**10. Automobile Liability Insurance**

Contractor shall obtain and furnish to City an automotive liability insurance policy covering the work performed by it hereunder. This policy shall provide coverage for Contractor's automotive liability in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence. The above-mentioned insurance shall not contain a self-insured retention, "deductible" or any other similar form of limitation on the required coverage except with the express written consent of City.

**11. Certificate of Insurance**

Prior to commencing performance of the work hereunder, Contractor shall furnish to City a certificate of insurance subject to approval of the City Attorney evidencing the foregoing insurance coverage as required by this Agreement; the certificate shall:

- a. provide the name and policy number of each carrier and policy;
- b. state that the policy is currently in force; and
- c. promise that such policy shall not be suspended, voided or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice; however, ten (10) days' prior written notice in the event of cancellation for nonpayment of premium.

Contractor shall maintain the foregoing insurance coverage in force until the work under this Agreement is fully completed and accepted by City.

The requirement for carrying the foregoing insurance coverage shall not derogate from Contractor's defense, hold harmless and indemnification obligations as set forth in this Agreement. City or its representative shall at all times have the right to demand the original or a copy of the policy of insurance. Contractor shall pay, in a prompt and timely manner, the premiums on the insurance hereinabove required.

**12. Independent Contractor**

Contractor is, and shall be, acting at all times in the performance of this Agreement as an independent contractor herein and not as an employee of City. Contractor shall secure at its own cost and expense, and be responsible for any and all payment of all taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for Contractor and its officers, agents and employees and all business licenses, if any, in connection with the Project and/or the services to be performed hereunder.

**13. Conflict of Interest**

Contractor covenants that it presently has no interests and shall not have interests, direct or indirect, which would conflict in any manner with performance of services specified under this Agreement.

**14. Termination**

This Agreement may be terminated by the City upon thirty (30) days written notice of termination. In such event, Contractor shall be entitled to receive and the City shall pay Contractor compensation for all services performed by Contractor prior to receipt of such notice of termination, subject to the following conditions:

a. As a condition of such payment, the Executive Director may require Contractor to deliver to the City all work product completed as of such date, and in such case such work product shall be the property of the City unless prohibited by law, and Contractor consents to the City's use thereof for such purposes as the City deems appropriate.

b. Payment need not be made for work which fails to meet the standard of performance specified in the Recitals of this Agreement.

**15. Exclusivity and Amendment**

This Agreement represents the complete and exclusive statement between the City and Contractor, and supersedes any and all other agreements, oral or written, between the parties. In the event of a conflict between the terms of this Agreement and any attachments hereto, the terms of this Agreement shall prevail. This Agreement may not be modified except by written instrument signed by the City and by an authorized representative of Contractor. The parties agree that any terms or conditions of any purchase order or other instrument that are inconsistent with, or in addition to, the terms and conditions hereof, shall not bind or obligate Contractor or the City. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein.

**16. Assignment**

Inasmuch as this Agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate, or subcontract any interest herein without the prior written consent of the City and any such assignment, transfer, delegation or subcontract without the City's prior written consent shall be considered null and void. Nothing in this Agreement shall be construed to limit the City's ability to have any of the services which are the subject to this Agreement performed by City personnel or by other Contractors retained by City.

**17. City Employees and Officials**

Contractor shall employ no City official nor any regular City employee in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial

interest in this Agreement in violation of the applicable provisions of the California Government Code.

**18. Notices**

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to Contractor's agent (as designated in Section 1 hereinabove) or to City as the situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses below. City and Contractor may designate different addresses to which subsequent notices, certificates or other communications will be sent by notifying the other party via personal delivery, a reputable overnight carrier or U.S. certified U.S. certified mail-return receipt requested:

To City:

City of Huntington Beach  
Attn: Jim Slobojan  
2000 Main Street  
Huntington Beach, CA 92648

To Contractor:

Turbo Data Systems, Inc.  
Attn: Roberta Rosen  
18302 Irvine Blvd., Ste. 200  
Tustin, CA 92780

**19. Consent**

When City's consent/approval is required under this Agreement, its consent/approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transactions or event.

**20. Modification**

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

**21. Section Headings**

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit or describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

**22. Interpretation of this Agreement**

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent upon any other unless so expressly provided here. As used in this Agreement, the masculine or neuter gender and singular or

plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

**23. Duplicate Original**

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

**24. Immigration**

Contractor shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the United States Code regarding employment verification.

**25. Legal Services Subcontracting Prohibited**

Contractor and City agree that City is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. Contractor understands that pursuant to *Huntington Beach City Charter* Section 309, the City Attorney is the exclusive legal counsel for City; and City shall not be liable for payment of any legal services expenses incurred by Contractor.

**26. Confidentiality**

Contractor recognizes that in the performance of its duties under this Agreement, it must conduct its activities in a manner designed to protect information of a sensitive nature from improper use or disclosure. Contractor warrants that it will use reasonable efforts consistent with practices customary in the facilities management industry in recruiting, training and supervising employees and in otherwise performing its duties hereunder in order to achieve this result. In the furtherance of this, Contractor agrees, at the request of the City, to require its employees to execute written undertakings to comply with the foregoing confidentiality provision.

**27. Discrimination**

Contractor shall not discriminate because of race, color, creed, religion, sex, marital status, sexual orientation, age, national origin, ancestry, or disability, as defined and prohibited by applicable law, in the recruitment, selection, training, utilization, promotion, termination or other employment related activities. Contractor affirms that it is an equal opportunity employer and shall comply with all applicable federal, state and local laws and regulations.

**28. Jurisdiction - Venue**

This Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed and construed in accordance with the laws of the State of California. This Agreement has been executed and delivered in the State of California and the validity, interpretation, performance, and enforcement of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. Both parties further agree that Orange County, California, shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

**29. Professional Licenses**

Contractor shall, throughout the term of this Agreement, maintain all necessary licenses, permits, approvals, waivers, and exemptions necessary for the provision of the services hereunder and required by the laws and regulations of the United States, the State of California, the City of Huntington Beach and all other governmental agencies. Contractor shall notify the City immediately and in writing of her inability to obtain or maintain such permits, licenses, approvals, waivers, and exemptions. Said inability shall be cause for termination of this Agreement.

**30. Attorney's Fees**

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof, each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled to recover its attorney's fees from the nonprevailing party.

**31. Survival**

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement, shall so survive.

**32. Governing Law**

This Agreement shall be governed and construed in accordance with the laws of the State of California.

**33. Signatories**

Each undersigned represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify City fully for any injuries or damages to City in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.

**34. Entirety**

(a) The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiation, and that each has had the

opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by that party or anyone acting on that party's behalf, which are not embodied in this Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement warranty, fact or circumstance not expressly set forth in this Agreement.

(b) All Exhibits referenced herein and attached hereto shall be incorporated as if fully set forth in the body of this Agreement.

**35. Effective Date**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers. This Agreement shall be effective on the date of its approval by the City Council. This Agreement shall expire when terminated as provided herein.

**CONTRACTOR**

TURBO DATA SYSTEMS, INC.  
a California corporation

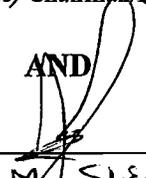
CITY OF HUNTINGTON BEACH, a  
municipal corporation of the State of  
California

By:   
ROBERTA S. ROSEN  
print name

\_\_\_\_\_  
Mayor

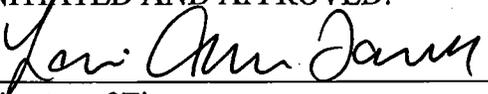
ITS: (circle one) Chairman President Vice President

**AND**

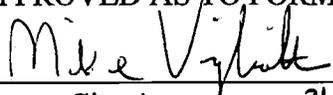
By:   
ELIE M. SLEIMAN  
print name

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

ITS: (circle one) Secretary Chief Financial Officer/Asst. Secretary - Treasurer

INITIATED AND APPROVED:  
  
Director of Finance

REVIEWED AND APPROVED:  
\_\_\_\_\_  
City Manager

APPROVED AS TO FORM:  
  
 for City Attorney 3/20/12 Dko  
3.21.12

**EXHIBIT A**

## **EXHIBIT "A"**

A. STATEMENT OF WORK: (Narrative of work to be performed)

See Exhibit A.1

B. CONSULTANT'S DUTIES AND RESPONSIBILITIES:

See Scope of Work as outlined in Exhibit A.1

C. CITY'S DUTIES AND RESPONSIBILITIES:

- Provide deposit slips and endorsement stamps
- Upload all handheld ticket writer files daily
- Reconcile daily credit card deposits
- Answer questions referred by CONTRACTOR
- Provide direction on unique questions and concerns from violators
- Provide PC's and Internet access for connection to CONTRACTOR database
- Sign necessary DMV forms when required for DMV access

D. WORK PROGRAM/PROJECT SCHEDULE:

As the current parking citation processing vendor for Huntington Beach, most of the requested services are in place and fully functioning. No citation data transfer is required, manual citations are current, systems are installed and City staff are trained.

The RFP asks for some products and services that are provided by TDS, which the City is currently not utilizing. For any new or existing products and services, TDS will, upon acceptance of a signed agreement:

Conduct site surveys and prepare site as necessary for any new installations and operation of the system.

Provide all user training, manuals for implementation.

Additional training will be available in person and online as needed at no cost to the City.

Prepare and maintain system documentation

Implement a fully tested, functional system

**2. Scope of Work****CITY OF HUNTINGTON BEACH****2.1 Automated Input of Handheld Citations**

TDS is currently providing the necessary interface and methods to upload ticket data and download scofflaw files from automated ticketwriters and a local handheld ticketwriter PC. Electronic tickets transferred to our servers via the internet are immediately loaded into the citation database. This allows timely access to citation information for Huntington Beach, the public and TDS.

TDS provides access to Handheld Ticketwriter Counts for authorized Agency staff to view citation file counts sent to TDS for uploading. This reconciliation process allows the Agency to reconcile the count of citations sent against the count of citations received.

Errors detected from automated citation entries (discrepancies in violation amounts, violation codes, lack of required information, etc.) are reviewed and corrected. Duplicate citation numbers are not entered into the system, but reported out for investigation. When necessary, error reports are forwarded to the City for investigation.

A file containing the most current habitual offender (scofflaw) list is generated daily for downloading into the handheld ticketwriters. The criteria making a vehicle eligible can be changed as some agencies are more lenient, allowing vehicles to obtain more than five delinquent citations before booting/towing as stated in the California Vehicle Code.

**Section 2. Scope of Work****CITY OF HUNTINGTON BEACH**

TDS is currently performing the automated ticketwriter processes listed above with the City's existing handheld units. A description of our exclusive **ticketPRO** handheld ticketwriter is included in the appendices and cost proposal.

**2.2 Data Entry from Handwritten Citations**

Handwritten citations are forwarded to TDS with a batch slip for tracking purposes. The batch slip includes the date, name of the person preparing the slip, and the citation count. All handwritten citations are entered into the database within two working days of receipt.

Each batch of citations is entered into a log for tracking through the process. The date of receipt and who received it, the data entry operators' ID and the date it was keyed, the count of citations in the batch, the filing person's ID and the date it was filed are all tracked on the log. This citation batch log is updated as the batch goes through the process. The log is a tool for supervisors to verify that all work is completed in a timely manner.

Citations not processed due to incorrect or missing information are returned to the City for clarification. All citation transactions are entered online with tight controls to prevent errors. The handwritten citation entry process updates the database with all pertinent data.

Entry of disposition and other non-citation information is also a critical step in the processing cycle. Citations that have been dismissed by City staff are updated to reflect the reduction or cancellation action that has been taken. Also, suspensions and extensions are recorded when requested in writing by the City. Dismissals, suspensions and extensions are processes that can be performed either by City staff or by TDS.

TDS files all hard copy citations and can provide these documents upon request by the Agency. Our batch number is a sequential number that serves as our document locator and from that, we are able to retrieve any citation and produce a high-quality electronic version that may be emailed or transmitted to Huntington Beach. **Our citation system will allow Huntington Beach users to view a scanned original of a manual citation at the push of a button.** Hard copy citations will be stored and then shredded periodically.

**2.3 Registered Owner Name Retrieval**

TDS has a direct online interface with the California Department of Motor Vehicles (DMV) for the retrieval of registered owners' names and addresses for California vehicles.

Requests for registered owners are submitted to the DMV each business day. Multiple citations issued under one plate or VIN may have different registered owners depending on the issue date of the citation. Most registered owner information is retrieved within 48 hours of a citation being entered.

During the name retrieval process, the vehicle make on file with DMV is obtained and compared with the make from the original citation. Discrepancies are reported and investigated to ensure the

**Section 2. Scope of Work****CITY OF HUNTINGTON BEACH**

license has been entered correctly. Upon correction the citation is once again eligible for DMV name retrieval through our automated system.

Also during the name retrieval process, the full vehicle identification number (VIN) and the registration expiration date is retrieved and placed on the system. This allows a comparison of the last 4 of the VIN on the citation with the VIN from the DMV and also the registration expiration date on the citation with the registration expiration date at the DMV. These are important tools to verify that the license plate on the citation was recorded properly and that the correct violator is pursued.

When a name and address is not available from the DMV on the first inquiry, multiple attempts are made until we successfully obtain an R/O or at a minimum nine (9) attempts.

Any "no hits" received from the DMV's are reported and vehicle licenses are reviewed for accuracy. Corrections are made when necessary and the DMV name retrieval process continues. This process has been successful in ensuring accuracy and increasing both our DMV Hit Rate and our collection rate.

Updates are conducted on citations when a change of ownership or notification of a rental with bona fide proof is received. All prior name information is kept on the system for historical reference. Once these updates are made, another notice is mailed to the responsible party.

**2.4 DMV Registration Holds/Releases**

DMV registration holds are placed each business day for delinquent citations in accordance with standards set by the City, the California Vehicle Code and any other applicable laws.

Releases of registration holds are sent to the DMV each business day for every paid or dismissed citation that was on DMV hold. TDS has the ability to inquire/update DMV records on demand based on a request by the City. This eliminates the need for issuing abstracts on closed citations. The DMV is notified each business day to modify the amount due on citations already on DMV hold that receive a partial payment.

DMV Status Reports are published monthly for citations placed/released from DMV hold. A report of payments made at the DMV is provided to the City for reconciliation.

**2.5 Out-of-State Registered Owner Name Retrieval**

A Registered Owner inquiry is generated for citations issued to vehicles registered outside California. TDS currently has agreements to retrieve registered owner information from all DMVs in the United States, Washington DC, and Canadian Provinces that allow retrieval of registered owner information. All specific out-of-state activities (generation of inquiries, sending inquiries, update of citation records with name and address information), are functions of the out-of-state process and are at no additional cost to the City.

**2.6 Payment Processing**

Mail is picked up each weekday from a Post Office Box provided by TDS. Payments are processed immediately. Daily pick up of mail is imperative to ensure timely processing. Daily mail processing ensures a reduced number of crossover payments and a reduced number of phone calls from the public. With the online, real-time nature of our IVR and Web systems, it is very important for the public to receive the most up to date information (i.e. payments posted, adjudication information updated, dismissals posted, etc.).

Audit controls are in place to ensure accountability of all transactions and monies for payment processing, from initial receipt through final resolution and filing.

Payments are sorted by postmark date and processed each day. Payments are then deposited into the City's bank account.

To reduce the number of refunds required to be processed by the City's finance department, TDS does not accept duplicate payments or payments attempting to be made toward accounts which are already closed.

TDS staff does all payment processing in-house. There are three verification processes to ensure accuracy for all payment activities. Citation numbers are written on each payment processed and the amount of the check is written on the citation. This is considered the first verification in the payment process. To ensure accuracy, all payments are entered with the citation number and license plate associated with the record, to eliminate transposed citation numbers and misapplied payments.

Our Data Entry staff is provided with a printout after the entry process containing relevant information about the payments that have been entered (the Data Entry operator's number, the Processing Representative's number, date paid, date entered, citation count, a unique batch number and the total amount for the batch).

As the second verification in the payment process, the printout is attached to the batch upon balancing. The entire batch is then sent to our banking staff for final processing. The banking staff conducts the third and final verification for balancing prior to depositing funds. The total of the deposit must match the data entry printout before proceeding. Deposits are made by courier each day.

All payment documents are stored in an easily retrievable format. Payment documents are stored for two years and then periodically shredded. A daily report of all citations paid is available online to be viewed by authorized City personnel.

**Unmatched Payments:** Our system has the ability to accept payments for citations that are not yet in the system. Basic information about the citation is entered into the database with the payment. Upon receipt of the original citation, the basic information entered with the payment is compared for accuracy and all other data fields are updated.

**Partial Payments and Returned Checks:** A second notice is mailed for bounced checks (adding a returned check charge to the system that is established by the City), and for the balance due on partial payments. If no payment is received on these second notices, the system continues processing the citation through the penalty phase and additional notification.

**Due Date Extensions:** The system has the capability to accept suspensions or due date extensions when requested by the City. These entries can be entered by the City or by TDS upon request.

**POS Cashiering System:** TDS has an online cashiering system that is available for use by the City, which will allow for processing of payments, due date extensions, dismissals, voids, notes and towed vehicle information. Using the Cashiering System could provide a convenience to City staff as well as the public, allowing information to be updated online in real time. The minimal hardware required for this system consists of a PC with an Internet connection. A receipt printer and a cash drawer for use with this system are optional. Totals of all payments entered each day at the Agency's location can be printed by shift or day for balancing and reconciliation.

### 2.7 Correspondence Processing

All mail received at TDS is sorted by category (payments, correspondence, etc.). Correspondence related to citations is opened and forwarded immediately to the appropriate department for further investigation by staff experienced in identifying and separating contesting information from complaints. All correspondence is processed within two business days of receipt.

Envelopes for all correspondence are stamped with the date received and kept with the source documents to validate the posting dates used for processing.

**Vehicle Change of Ownership/Rented Vehicles:** Daily updates are performed on citations when a change of ownership or notification of a rental with bona fide proof is received. All prior name information is kept on the system for historical reference. Once these updates are made, another notice is mailed to the new responsible party.

Upon receiving unidentifiable payments or incomplete information from a citizen, TDS staff requests additional information or documentation when necessary. All correspondence mailed to citizens on behalf of the City is automatically laser printed by the system and documented in the system for future reference.

All correspondence to the public provides complete citation information, amount due and instructions regarding how to make a payment. A bar-coded, pre-addressed stub is included for payment and documentation return.

### 2.8 Client Online Access – Citation Database

Online access is available to the City using a PC and a secure Internet Connection 24/7. Real-time access offers our clients the most current database information. All transactions such as citation

records, payments, dismissals, administrative adjudication information, notes, registered owner information and all other citation data are immediately displayed and can be printed if desired.

Our system allows retrieval of information by citation number, license number, VIN number or full or partial name. The "full or partial name" feature allows the end user to inquire on a partial name which provides wider search criteria and more possibilities of locating the correct registered owner.

Our citation screens contain all pertinent information on each citation, all relevant dates, fines, penalties, registered owner (or appellant) names and addresses, and notification information. Individual citation, history and license plate screens indicate other open or closed citations. Open citations qualifying the vehicle to be towed or booted are indicated. The current registered owner name and address is displayed and can be printed. VINs can be inquired upon, displayed and printed.

Detailed payment history is available on the History Screen. It contains detailed administrative adjudication information such as the current status of the appeal, letter dates, hearing dates, etc.

Agency staff and TDS staff can enter, view and/or print "Notes" by a citation or license plate.

City personnel can easily inquire on and update citation information using a single interface. Dismissals, administrative holds, payments, extensions and fine reductions can be completed by authorized staff. All access is granted by a specific logon and password profile for each user. For audit tracking, each transaction is stored with the ID of the person entering the transaction. Dismissals, administrative holds and payments can be entered using a prior received date. Partial payments and write-offs can be entered through this system as well.

The City has access to reports showing deposits made by TDS each day for reconciliation purposes.

### **2.9 Client Parking Information Portal**

TDS provides its customers with a dedicated web site accessible to authorized personnel. This site provides access to parking related information and resources available 24/7. Some of the information includes:

- Access to REPORTNet for online reporting
- Statistical information for various parking metrics, measures and comparisons
- Access to ticketPRO management functions
- Turbo Data contact information
- Agency-specific information such as violation schedule and officer roster
- Industry-specific links such as California Vehicle Code, DMV and Parking Associations

### **2.10 Reporting (ReportNet)**

TDS will provide the City with a wide variety of electronic reports. Reports can be created on an as needed basis upon request at no additional cost to the City. Frequency of reports can be on a one

time only basis, monthly, weekly or as the City desires. Currently, Huntington Beach has over 50 different types of standard and custom reports that are regularly generated by TDS.

Using the Internet, authorized City staff is provided with a unique logon and password. These reports are provided in PDF format and can be viewed and printed. Reports can be viewed online 24/7 and will remain online for a minimum of three (3) years.

### **2.11 Toll-Free Telephone Service for the Public**

TDS will provide a toll-free telephone number for the public to inquire on parking citations 24/7. The phone switch in our Tustin office currently receives over 12,000 calls per week.

**Interactive Voice Response System:** TDS' Interactive Voice Response system (IVR) provides real-time, detailed citation information directly linked to the City's database. Each caller has the option of hearing the information in English or Spanish. The IVR allows parking citation recipients 24/7 access (with maintenance occurring between 12:00 midnight and 1:00 a.m.). The public can inquire by citation number or license plate number and obtain the issue date, citation number, delinquent date and amount due on all open citations. The system confirms closed status on all closed citations as well as the unique ability to relay contesting status on citations in the adjudication process.

Pre-recorded information includes a greeting, the address for mailing a payment, making a payment over the Internet, instructions for contesting a citation and instructions for correcting equipment violations. Options for reaching a Customer Service Representative are also available through this system.

**Customer Service Representatives:** TDS Customer Service Representatives are available during our normal business hours (8:00 am – 5:00 pm). TDS employs and trains staff with the ability to respond to calls received in English and Spanish.

We provide in-house training to all of our Customer Service staff allowing them to provide general information on each City's policies and procedures with the ability to research information and respond accordingly. In addition the staff is also trained to handle complaints professionally and provide information on all levels of the administrative adjudication process. Staff enters "Notes" on a particular citation or license plate as calls are taken in instances where specific information will be helpful for future reference. All "Notes" entered can be viewed and/or printed by the City and TDS staff.

### **2.12 Internet Capability for the Public (pticket.com)**

TDS has a fully interactive web-based system which provides the public with online inquiry, payment capability, and online appeal access for their parking citations. This is a very important interface because this is how the public will see the City when they go online to pay, contest or retrieve more information about their citation.

Citizens accessing the [www.pticket.com/hb](http://www.pticket.com/hb) website will find only specific information related to Huntington Beach. They will not pull up data from other agencies, or see other agency names when they enter information for a Huntington Beach Citation. We have included the Huntington Beach city banner on pticket.com so that visitors can have the look and feel of the City web site. Data security is provided using industry standard 128-bit SSL encryption. **pticket.com** is fully PCI compliant. This website address link can be placed on the City's website to provide a convenient link, a "hotlink", for the public to view any or all parking information for the City of Huntington Beach.

TDS has the ability to record all calls in our Customer Service Department. Difficult calls may be recorded, and these recordings may be forwarded to City staff in the event of a dispute. Supervisors in the Customer Service Department have the ability to monitor all calls received. This is helpful not only for training purposes, but also for support purposes should the call need to be escalated.

### 2.13 Custom Notices

Our professionally printed notices are printed in color and were designed for ease of reading and providing important information to the public, as well as containing all information required by the California Vehicle Code. Our notices meet all current requirements for size, proportion and weight as defined by the USPS. All notices, letters, and postage are provided by TDS and mailed using first-class mail. Parking violation notices are mailed based on a City-determined schedule. All mailings are imprinted with the post net barcode and FIM markings as requested by the USPS.

Using the Postal Service **National Change of Address (NCOA)** database allows TDS to ensure the most rapid and accurate delivery of notices. This feature allows the new address of respondents that have moved (and filed a notice with the USPS) to be directly printed on the notice form as it is mailed, to eliminate the time delay normally encountered by the mail piece going to the old address, getting a forwarding sticker, and then going to the new address.

All notices contain information required by the California Vehicle Code. A unique feature of our system is the ability to modify the agency-specific text that is printed on the notice. This allows the City the flexibility of changing the text should policies or procedures change (i.e. hours of operation, etc.).

Mail returned as undeliverable is tracked and identified as returned mail on the inquiry screen.

### 2.14 Processing of Administrative Review Requests

TDS has provided Administrative Appeal/Review & Hearing Tracking Services to our clients since 1993 and the inception of California Vehicle Code 40215, which governs the processes for appealing parking citations.

Our Administrative Appeals process was designed to save our clients a significant amount of time, relieving the staff of the day-to-day clerical tasks associated with the process, and to provide an organized, efficient and professional way to process their appeals. TDS' Administrative Appeals

processing tracks relevant dates, automatically interfaces with and updates the citation system, provides adjudication status on our IVR (automated telephone system) and **pticket.com** (public website) and mails all notifications. We provide the scheduling of hearings and mail all required hearing notifications.

Using this service has proven successful by having contested information easily tracked right in the parking citation database. All adjudication activities are tracked by the system and therefore are available to the public 24/7 online and by telephone.

### **Benefits of Using TDS' Adjudication Service**

- Automatically tracks each citation through the adjudication process
- Dispositions (liable, not liable, liable for a reduced amount, etc.) are entered and updated
- Dispositions can be entered by the City or TDS
- Automatically posts refunds to the citation database on dismissed citations that are already paid, and generates a request for refund which is forwarded to the City
- Automatically tracks due dates for contesting as described in CVC 40215 by interacting with the citation database and the specific citation data
- Interacts with other automated systems - IVR and citizen Website - **pticket.com**
- Public can appeal online, with the ability to upload photos and files
- City can perform paperless online reviews and decisions through **eAppealsPRO**
- Provides specific status on IVR and **pticket.com** on contested citations
- Automated hearing scheduling
- TDS staff works directly with the City and the hearing officer when scheduling in-person hearings
- Automated letter mailings which include decisions (liable/not liable) at 1<sup>st</sup> and 2<sup>nd</sup> level and also hearing notification letters which provide specific date, time, location and directions to the hearing
- TDS customer service representatives have all contesting information and relevant dates available to them to assist with phone calls from the public.

The system tracks information pertaining to each citation contested through the administrative adjudication process and allows for updates as each citation progresses through the steps for contesting. The Administrative Review and Hearing Tracking System is fully integrated with the parking citation system and has complete inquiry capabilities.

The process starts with appellants contesting online or by mail. Online appeals are submitted using an online form through the [www.pticket.com/hb](http://www.pticket.com/hb) website. Appellants can also upload files containing evidence and photos with the appeal for review. Mailed in requests are entered into the system by TDS. Once submitted online or entered by TDS, citations are stopped from progressing further in the citation process (no notices, etc.). Mailed in Initial Review requests are forwarded to the City with a cover sheet for a decision.

Through our **eAppealsPRO** online review system, the City can review the submitted online appeals, including uploaded files and photos. Prior citations, phone notes and City notes for all citations issued for the same license can also be viewed. For our clients that use **TicketPRO Elite**

handheld ticketwriters, citation photos taken by enforcement staff are included with each online appeal.

The City determines the disposition of each contested citation. A decision code corresponding to a brief description of the reason that will appear on the result letter is selected. The result (upheld or dismissed) can be entered into the system by the City or TDS.

For each level of the Administrative Adjudication process, once a citation has been upheld or dismissed, the system automatically generates a result letter containing information relating to the decision and any amount due.

If a citation is dismissed and an amount has been paid, a refund request is forwarded to the City so the refund check can be mailed with the result letter.

**Administrative fines for disabled parking violations (CVC 40226):** These reductions are handled through the adjudication system. When the appellant shows proof that they had been issued a valid placard at the time the citation was received, the fine can be reduced to \$25 (or whatever the city has determined to be their administrative fee) and the initial review result letter will explain that and request the reduced fine. Also, when the fine has been reduced, the Paid Citation Distribution Report, which calculates the monthly amount due to the County for the surcharges, will exclude these administrative fees from the calculation.

### **2.15 Scanned "Paperless" Appeals**

TDS provides an additional service that allows the City to review all mailed in appeals online. This service allows for a **100% PAPERLESS** appeal system. All mailed-in appeals are scanned in to the system and are reviewable by City staff using the eAppealsPRO online review system, the same application that the online appeals are reviewed from. All appeals are in the same place, and the documentation is saved electronically. A complete history of all appeals and their results, person who made the decisions, etc. is available online at all times for the City. No mailings of paper documents are required, and appeals are online and available for review much sooner than with traditional methods. This is a very **GREEN** solution.

### **2.16 Administrative Hearing Scheduling Services**

Payment of the citation fine is required at the time of hearing entry. In the case of indigence, the system allows an override to accept the hearing request without payment of the fine.

TDS schedules in-person hearings based on City specific dates and times within the 90 day CVC requirement. In-person hearing requests receive a hearing date notification letter with detailed instructions for the scheduled hearing. TDS allows for one reschedule should it be requested of the citizen. A new hearing date notification letter is mailed with the new date and time once the hearing is rescheduled.

**Section 2. Scope of Work****CITY OF HUNTINGTON BEACH**

The hearing examiner receives a packet containing a cover sheet and all documentation required for each hearing. The hearing examiner records the decision of each hearing on the cover sheet which is returned to TDS to update the database.

Hearing schedules are available online for City viewing.

Reporting for the Administrative Hearing portion of the system includes a monthly report of Outstanding Hearing Requests.

The TDS Hearing Result letter includes the reason that the violator was found liable, the requirement based on AB 602 from January 2009.

**2.17 Hearing Officer Coordination**

TDS staff will coordinate with Huntington Beach regarding the dates and times for hearings to be scheduled. TDS staff ensures that both the Hearing Officer and a room are available three (3) weeks in advance of scheduling hearings and prior to mailing Hearing Notification Letters to the citizens.

Hearing information and documentation is prepared in advance of the hearings, including a form for the hearing examiner to use to indicate their findings. Results are returned to TDS for entry into the system, mailing of result letters and filing of documentation.

TDS currently provides an independent hearing examiner for the City of Huntington Beach.

When a liable decision is appealed further through the court system, TDS will provide the City with all related documents for the City to appear at court. Information regarding court appeals is also tracked in the system for each citation.

**Section 3. Online Payments and Collections****CITY OF HUNTINGTON BEACH****3.1 Credit Card Payments (pticket.com)**

**Payments by Credit Card:** Payments by Credit Card are accepted 24/7 over the Internet. The system secures immediate authorization from the processor, with immediate updates to the Agency's database in real time. The pticket.com application is PCI compliance certified.

Payments are accepted via Visa, MasterCard, and Discover 24 hours a day, 7 days a week through our secure website ([www.pticket.com/hb](http://www.pticket.com/hb)) maintained by TDS. There is immediate confirmation and update of authorized payments to the parking citation database. An email is generated to the payee on the web with their unique confirmation number/payment information.

**Monies collected are deposited daily into a City of Huntington Beach bank account. The City of Huntington Beach pays all associated merchant fees incurred by the credit card payment process.** Daily reconciliations are performed by TDS. Each month, TDS prepares a monthly reconciliation and provides monthly reporting.

**Credit Card Chargebacks:** When a chargeback is received, the monies are deducted from a City of Huntington Beach bank account and TDS staff performs any required adjustment to the parking citation database. We reopen the citation, and send a delinquent notice to the violator. The city is not involved in the chargeback process. All credit card reconciliations and chargeback issues are dealt with entirely by TDS staff.

Included with the Credit Card Payment Service are several web pages related to parking citations unique to the City. You will have the ability to customize the content within these pages specifically related to your parking program.

The citation number, license number, issue date, due date (if applicable), status of the citation(s), amount due for each citation and the total amount due for the license plate are displayed. If applicable, a check box for payment will appear.

Administrative Adjudication information is displayed on appealed citations at all levels (Administrative Review, Hearing and Civil Appeal). The reasons that citizens were found liable are also displayed online. **This is the most comprehensive display of parking citation status information available to the public online in the industry today.**

This system also provides all necessary information on how to contest, mailing address and a phone number should the person need additional assistance.

**Online Appeals:** Through the **pticket.com** website, we provide an online appeals process that is completely paperless. When a citizen is eligible to contest (within the time frame allowed by law), they are given the option to contest online. Once they have submitted their electronic appeal, and uploaded any desired documents, the appeals are then reviewed online. A confirmation of each submitted appeal is emailed to the citizen. A "Note" indicating the date and time of the transaction is added to the City's database upon receipt of an electronic appeal. The database is also updated with the respondents name and address, adjudication information (date contested) and the citation process is suspended pending review of the appeal, saving considerable processing effort and time. All processed appeals and decisions can be reviewed at any time by City personnel.

### **3.2 Final Notice – Past Due Correspondence**

**Final Notice:** Our final notice letter is mailed after a citation goes delinquent but before sending to the DMV for registration hold. This allows timely collection of fines including late fees and saves the City the fee charged by the DMV for registration hold of the citation. The Final Notice letter is a very low cost method for the City to enter the collections process.

**3.3 Special Collections with Current City Vendor**

TDS is currently providing a quarterly file of qualified citations to Huntington Beach for collections through the City's collection service vendor. These include citations unable to hold at DMV, or released from DMV hold. Citation records remain in the TDS system as sent to collections.

**3.4 Special Collections and Delinquent Follow-up**

TDS provides special collection programs for our customers to help them maximize their collection efforts. We will work with Huntington Beach to identify special programs that will assist in increasing the overall parking citation collection rate.

**Innovative Collection Services:** Innovative Collection Services (ICS) has been providing supplemental collection services since 1996. As part of TDS, ICS benefits from our experienced staff with many years of working with clients in the area of parking citation and collection processing.

Over the years, to provide our clients with the quality they have come to appreciate, we have fine-tuned our software to accommodate the needs of each agency.

The ICS system is fully integrated with our citation system allowing for easy retrieval of parking citation and collection agency data, all in one location.

ICS provides a complete solution, with the ability to add penalties for administrative costs (cost recovery), generate demand letters, provide reports, interface with credit reporting agencies, and provide a unique toll-free number and a call center with staff trained in handling collection matters.

Accurate tracking of your funds is of primary concern to our staff. Incoming new accounts as well as payment and "stop" information transmitted from the citation system are monitored and validated to ensure accuracy.

ICS collects many citations considered otherwise uncollectible. The citations submitted to ICS are the hardest to collect upon. The windshield citation did not cause the violator to pay, the initial mailed notice did not cause them to pay, the final notice did not cause them to pay, but now that a collection agency becomes involved and their credit rating becomes an issue, this may spur them to action.

**3.5 Franchise Tax Board Collections**

TDS also provides for collections through the Franchise Tax Board Interagency Offset Program. We comply with all requirements set forth by the FTB for the Interagency Offset Program and we provide all of the resources necessary so that you don't have to. We have provided this service to our customers for many years and it has proven to maximize citation collection rates for all participating agencies. Every agency that has participated in this program has continued to use it every year thereafter.

For all FTB-qualified citations, we combine all amounts together by registered owner. We retrieve Social Security numbers and mail the required notices to each registered owner (usually in October/November of each year). We process the payments and handle all calls from these notices. The public may also make credit card payments online at [pticket.com](http://pticket.com).

During December, all FTB-qualified accounts that remain unpaid are sent to the FTB to be ready for the submission of January tax returns.

The FTB will send all intercepted funds and detailed reports directly to the City. The City must provide a copy of the check and a copy of the detailed reports to TDS immediately so that we can update the system to show the accounts/citations as closed, and to perform an ongoing reconciliation for the City. The FTB is notified by TDS of any interim payments received on our end, so they will close the account on their system.

**EXHIBIT B**

## EXHIBIT "B"

### Payment Schedule (Fixed Fee Payment)

1. CONSULTANT shall be entitled to monthly progress payments toward the fixed fee set forth herein in accordance with the following progress and payment schedules.

See Exhibit B.1 – Proposed fee schedule

Total fees shall not exceed Three Hundred and Seventy Thousand Dollars (\$370,000)

2. Delivery of work product: A copy of every memorandum, letter, report, calculation and other documentation prepared by CONSULTANT shall be submitted to CITY to demonstrate progress toward completion of tasks. In the event CITY rejects or has comments on any such product, CITY shall identify specific requirements for satisfactory completion.

3. CONSULTANT shall submit to CITY an invoice for each monthly progress payment due. Such invoice shall:

- A) Reference this Agreement;
- B) Describe the services performed;
- C) Show the total amount of the payment due;
- D) Include a certification by a principal member of CONSULTANT's firm that the work has been performed in accordance with the provisions of this Agreement; and
- E) For all payments include an estimate of the percentage of work completed.

Upon submission of any such invoice, if CITY is satisfied that CONSULTANT is making satisfactory progress toward completion of tasks in accordance with this Agreement, CITY shall approve the invoice, in which event payment shall be made within thirty (30) days of receipt of the invoice by CITY. Such approval shall not be unreasonably withheld. If CITY does not approve an invoice, CITY shall notify CONSULTANT in writing of the reasons for non-approval and the schedule of performance set forth in Exhibit "A" may at the option of CITY be suspended until the parties agree that past performance by CONSULTANT is in, or has been brought into compliance, or until this Agreement has expired or is terminated as provided herein.

4. Any billings for extra work or additional services authorized in advance and in writing by CITY shall be invoiced separately to CITY. Such invoice shall contain all of the information required above, and in addition shall list the hours expended and hourly rate charged for such time. Such invoices shall be approved by CITY if the work performed is in accordance with the extra work or additional services requested, and if CITY is satisfied that the statement of hours worked and costs incurred is accurate. Such approval shall not be unreasonably withheld. Any dispute between the parties concerning payment of such an invoice shall be treated as separate and apart from the ongoing performance of the remainder of this Agreement.

**COST PROPOSAL FOR PARKING CITATION PROCESSING**

<b>Processing Cost for Electronic Parking Citations</b>		<b>\$0.42 per citation issued</b>
✓	Entry of electronic citations (if within 48 hours) <b>(Agency is responsible for loading citations within 48 hours)</b> Includes all services listed below after Manual Parking Citations.	
<b>Fee per Manual Parking Citation</b>		<b>\$0.55 per citation issued</b>
Included	The price includes the following services:	
✓	Entry of manual citation	
✓	Citation dispositions (bounced checks, payments, extensions, etc.)	
✓	DMV interface (r/o retrieval and placing and releasing registration holds)	
✓	Weekly/monthly reporting readily available and accessible over the Internet	
✓	Toll-free telephone number (for public access)	
✓	Customer Service Representatives (8:00 am – 5:00 pm, Mon - Fri, excluding holidays)	
✓	Daily pick up of payments and other documents from a TDS provided P. O. Box	
✓	Daily payment processing	
✓	Courier Service to Huntington Beach Twice a Week	
✓	Bank deposits	
✓	www.pticket.com/hb Web pages customized for the City	
✓	Database maintenance	
✓	Daily system backups	
✓	Documentation and training for use of TDS provided online system	
✓	Ongoing Client support and Training	
✓	<b>Monthly Minimum Fee \$350 for Parking Citations and Reminder Notices</b>	

<b>Processing Cost for Electronic Parking Citations Entered After 48 Hours of Issuance</b>	<b>\$0.55 per citation issued</b>
Automated citations sent <b>after 48 hours</b> require additional manual efforts to enter and process payments and the IVR and web systems do not contain this information for the public to inquire against or make payments. These citations will not qualify for the electronic discounted rate.	

<b>Reminder Notices (Notice of Violation)</b>	<b>\$0.75 per notice mailed</b>
Includes: all forms, envelopes, printing and postage. Reminder Notices are mailed for citations that remain outstanding after 21 days from the issuance of the citation, re-mailing for bounced checks, partial payments, name or address changes and will contain all citation information.	

**COST PROPOSAL FOR ADJUDICATION AND HEARING SERVICES**

<b>Administrative Adjudication Processing</b>	<b>\$1.55 per letter mailed</b>
<p>Includes: <b>eAppeals Online Appeals</b>, <b>eAppealsPRO online review system</b>, entry of all mailed-in appeals and appeal results, mailing all initial review result letters, hearing notification letters and hearing result letters as required. All forms, envelopes, printing and postage are included with the mailings.</p> <p>This service allows the distribution of adjudication information to the public over the TDS IVR phone system and the TDS public internet system, <a href="http://www.pticket.com">www.pticket.com</a> at no additional charge.</p>	

<b>Administrative Adjudication Scanning of Mailed in Appeals</b>	<b>\$1.50 per Scanned Appeal</b>
<p>Includes: This service allows a <b>100% PAPERLESS</b> appeal system. All mailed-in appeals are scanned in to the system and are reviewable by City staff using the <b>eAppealsPRO</b> online review system, the same application that the online appeals are reviewed from. All appeals are in the same place, and the documentation is saved electronically. A complete history of all appeals and their results, who made the decisions, etc. is available online at all times for the City.</p>	

<b>Hearing Officer Services</b>	<b>\$20.00 per Hearing \$100 min per hearing date</b>
<p>A certified Hearing Examiner will be provided to hear all written and in-person hearings for contested parking citations. City to provide hearing location.</p>	

**COST PROPOSAL FOR ADDITIONAL COLLECTION SERVICES AND WEB PAYMENTS**

<b>Final Notices (Delinquent Notice)</b>	<b>\$0.75 per notice mailed</b>
<p>Includes: all forms, envelopes, printing and <u>postage</u>. Final Notices are mailed for citations that remain outstanding thirty (30) days from the mailing date of the first notice or other Agency-defined date criteria and will contain all citation information. This notice will inform the responsible party that the citation has become delinquent and the full amount indicated is due to avoid the withholding of the vehicle registration and further collection efforts.</p>	

EXHIBIT B.1

<b>Other Correspondence</b>	<b>\$0.75 per notice mailed</b>
Includes: all forms, envelopes, printing and <u>postage</u> .	

<b>Out-of-State Processing</b>	<b>30% of amount collected</b>
No charge for payments off the windshield.	

<b>Online Access for City Staff</b>	<b>Waived for 1<sup>st</sup> 5 workstations, then \$40 per month per workstation</b>
Secure internet based access to City database. City to provide PC with internet access.	

<b>Voice Response System</b>	<b>Included</b>
<p>TDS' Interactive Voice Response system (IVR) provides real-time, detailed citation information directly linked to the Agency's database. Each caller has the option of hearing the information in English or Spanish. The IVR allows parking citation recipients 24/7 access. The public can inquire by citation or license number and obtain the issue date, citation number, delinquent date and amount due on all open citations. The system confirms closed status on all closed citations as well as the unique ability to relay contesting status on citations in the Adjudication process when utilizing our adjudication service.</p> <p>Pre-recorded, Agency-specific information includes the address for mailing a payment, making a payment over the Internet, instructions for contesting a citation and instructions for correcting equipment violations.</p>	

<b>Parking Information Portal and Online Reporting Access</b>	<b>No Charge</b>
Provides access to parking related information and resources 24/7. Includes ReportNet online reporting access for authorized Agency personnel to view and print daily, weekly and monthly reports.	

<b>Innovative Collection Services (ICS)</b>	<b>28% of amount collected</b>
<p>Further collection efforts from a collection agency. Additional penalties applied, and up to two letters mailed from Innovative, then placement at credit reporting agency for outstanding amounts. Includes taking toll-free phone calls from ICS customers and other follow-up efforts.</p>	
<b>Credit Card Payments</b>	<b>1.5% of credit card amount collected</b>
<p>Currently, Huntington Beach is not being charged by TDS for the use of the IVR system or the pticket.com credit card payment service, nor for the daily and monthly reconciliations and daily handling of chargebacks when received. All monies from credit card payments go directly to the City bank account each day. All merchant fees associated with the credit card payments are deducted from the City bank account when charged. There is currently a \$3 fee charged for each citation paid that goes directly to the City with the daily credit card monies.</p> <p>Traditionally, most service providers charge a fee to the violators, such as \$3.95, which then allows the service provider to pay the merchant fees, as well as maintain the system with no charge to the City. TDS does this with all other customers. Credit card funds are delivered to the City once per month under this type of arrangement.</p> <p>Because of the history of Huntington Beach with TDS and credit card processing (the City was our first customer using credit cards back in the 90's) these fees have not been imposed.</p> <p>In order to maintain the current and increasing volume of citation payments by credit card, and the reconciliation processes and PCI compliance, maintenance, etc., we now propose charging a percentage fee for all credit card amounts collected. This will allow the City to retain the \$3 it is currently charging, and also allow the continued daily deposits of credit card monies into the City's account. The City may choose to increase their per citation fee to compensate for this additional fee.</p> <p>This amount will be billed monthly based on the total credit card payments collected.</p> <p>Alternatively, we can switch to the more traditional method, below:</p> <p>A <b>\$3.95</b> fee per citation paid is charged to the violator. This fee covers the cost of ongoing maintenance, support and enhancements of the IVR and web payment systems, and includes daily and monthly reconciliation of all payments. (Fee subject to change).</p> <p>TDS would welcome the opportunity to discuss the credit card payment options in more detail.</p>	

<b>Franchise Tax Board Collections</b>	<b>*\$2.50 per account/letter plus 15% of amt collected</b>
<p>TDS pursues otherwise uncollectible accounts by retrieving social security numbers from a third party, mailing required pre-intercept letters, and then sending the accounts to the FTB to intercept any state tax refunds or lottery winnings. *This fee is subject to change each new FTB year.</p>	

**Cost Increases –**

**Postal Rate Increase Offset** - If postal rates increase during the term of this agreement, fees to TDS shall be raised immediately to offset the effect of the postal rate increase.

**CPI Increases** - Pricing may be adjusted by the CPI increase annually.

**COST PROPOSAL FOR HANDHELD TICKETWRITERS AND SUPPLIES**

<b>Citation forms and envelopes – 50,000 quantity</b>	<p><b>Citations \$3,000</b>  <b>Envelopes \$2,700</b></p>
<p>TDS will assist with the design and layout of citations and envelopes to encourage payment and ensure compliance with legal requirements.</p>	

# turboDATA

## S Y S T E M S

18302 Irvine Blvd., Suite 200  
Tustin, CA 92780

Phone# (714) 573-5757

Fax# (714) 573-0101

## Quotation

Date	Quote #
2/1/2012	216

Expiration Date
3/2/2012

CITY OF HUNTINGTON BEACH  
ATTN: CITY TREASURER  
PO BOX 190  
HUNTINGTON BEACH CA 92648-0190

Description	Qty	Rate	Total
TicketPRO Elite HH with integrated thermal printer, color camera, WI-FI	15	2,500.00	37,500.00
TicketPRO Mobile HH Unit Software (normally \$700 each - waived)	15	0.00	0.00
TicketPRO Elite Car Charger with adapter (normally \$79 each - waived)	15	0.00	0.00
TicketPRO Server Software	1	1,500.00	1,500.00
Wireless Router (WI-FI 802.11x)	1	200.00	200.00
Configuration and Setup of Units (normally \$100 each - waived)	15	0.00	0.00
Training and Installation at Customer Location (normally \$2000 - waived)	1	0.00	0.00
Hardware and maintenance agreements are based on manufacturers availability. If unavailable, a similar product will be substituted if possible.			
SIM Cards for wireless communications and plan subscription to be provided by client.			
Accessories: A battery, a leather case, an anti-glare screen cover and a stylus are included with each unit purchased. These items are not included under the warranty, and replacements may be purchased as required.			
Software and Hardware maintenance fees will be billed and must be paid annually.			
WARRANTY: One year hardware and software warranty included with purchase.			
Please contact Elle Seiman at (714) 368-4888 or elle@turboDATA.com with any questions.		<b>Subtotal</b>	\$39,200.00
CONFIDENTIAL INFORMATION DISCLAIMER: This proposal contains certain confidential and valuable information in the form of ideas, know-how, concepts, processes, plans and trade secrets that belong to Turbo Data Systems, Inc. In accordance with the California Public Records Act, this confidential information shall not be disclosed outside the Agency and shall not be duplicated, used, or disclosed in whole or in part for any purpose except in the procurement process. Confidential information contained in this document is noted on each applicable page or image. Serious and irreparable competitive disadvantage in future procurements could result from the release of any confidential information contained in this proposal. Please notify us immediately, in writing, if there is a request for disclosure of any confidential information, so that we will have an opportunity to participate in any disclosure discussions.		<b>Sales Tax (7.75%)</b>	\$0.00
		<b>Total</b>	\$39,200.00



18302 Irvine Blvd., Suite 200  
Tustin, CA 92780

Phone# (714) 573-5757

Fax# (714) 573-0101

**Quotation**

Date	Quote #
2/1/2012	217

Expiration Date
3/2/2012

CITY OF HUNTINGTON BEACH  
ATTN: CITY TREASURER  
PO BOX 190  
HUNTINGTON BEACH CA 92648-0190

Description	Qty	Rate	Total
TicketPRO Elite Hardware/Software Support - one year	15	500.00	7,500.00
TicketPRO Server software maintenance - one year	1	600.00	600.00
Wireless Router Maintenance - one year	1	50.00	50.00
<b>Subtotal</b>			<b>\$8,150.00</b>
<b>Sales Tax (7.75%)</b>			<b>\$0.00</b>
<b>Total</b>			<b>\$8,150.00</b>

Please contact Elie Sleiman at (714) 368-4888 or [elie@turbodata.com](mailto:elie@turbodata.com) with any questions.

**CONFIDENTIAL INFORMATION DISCLAIMER:** This proposal contains certain confidential and valuable information in the form of ideas, know-how, concepts, processes, plans and trade secrets that belong to Turbo Data Systems, Inc. In accordance with the California Public Records Act, this confidential information shall not be disclosed outside the Agency and shall not be duplicated, used, or disclosed in whole or in part for any purpose except in the procurement process. Confidential information contained in this document is noted on each applicable page or image. Serious and irreparable competitive disadvantage in future procurements could result from the release of any confidential information contained in this proposal. Please notify us immediately, in writing, if there is a request for disclosure of any confidential information, so that we will have an opportunity to participate in any disclosure discussions.



AGENCY CUSTOMER ID: \_\_\_\_\_

LOC #: \_\_\_\_\_



### ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY Alliant Insurance Services, Inc.		NAMED INSURED Turbo Data Systems, Inc. Innovative Collection Services 18302 Irvine Blvd., Ste 200 Tustin CA 92780	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE**

RE: SERVICE AGREEMENT FOR PARKING CITATION PAYMENT PROCESSING  
CITY OF HUNTINGTON BEACH, ITS OFFICERS, ELECTED OR APPOINTED OFFICIALS, EMPLOYEES, AGENTS, AND  
VOLUNTEERS AS ADDITIONAL INSUREDS PER ATTACHED ENDORSEMENT, INCLUDING PRIMARY INSURANCE CLAUSE AS  
RESPECTS ALL OPERATIONS OF THE NAMED INSURED. WORKERS' COMPENSATION INCLUDES WAIVER OF SUBROGATION AS  
ALLOWED BY LAW PER THE ATTACHED POLICY ENDT.

Forming a part of

<b>Policy Number:</b> CBP8860861		<b>Policy Period:</b> 7/1/2012 - 7/1/2013	
<b>Coverage Is Provided In</b> PEERLESS INSURANCE COMPANY			
<b>Named Insured:</b> TURBO DATA SYSTEMS INC INNOVATIVE COLLECTION REFER TO NAMED INSURED SCHEDULE		<b>Agent:</b> ALLIANT INSURANCE SERVICES INC  <b>Agent Code:</b> 4292647 <b>Agent Phone:</b> 949-660-5904	

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION**

This endorsement modifies Insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Additional Insured Person(s) Or Organization(s)**

CITY OF HUNTINGTON BEACH, ITS AGENTS, OFFICERS AND EMPLOYEES  
ARE NAMED AS ADDITIONAL INSURED.  
2000 MAIN ST.  
HUNTINGTON BEA, CA 92648

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

**2. Deductible**

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- b. The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- c. The terms of this Insurance, including those with respect to:
  - (1) Our right and duty to defend any "suits" seeking those damages; and
  - (2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim"apply irrespective of the application of the deductible amount.
- d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

F. For the purposes of the coverage provided by this endorsement, Conditions 2. and 4. of Section IV – Conditions are replaced by the following:

**2. Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"**

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:
  - (1) What the act, error or omission was and when it occurred; and
  - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a "claim" is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
  - (2) Notify us as soon as practicable.You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.
- c. You and any other involved Insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of an act, error or omission to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

**4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

**b. Excess Insurance**

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Schedule of this insurance and that applies to an act, error or omission on other than a claims-made basis, if:
  - (a) No Retroactive Date is shown in the Schedule of this insurance; or
  - (b) The other insurance has a policy period which continues after the Retroactive Date shown in the Schedule of this insurance.
- (2) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance of all insurers.

**G.** For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

**EXTENDED REPORTING PERIOD**

1. You will have the right to purchase an Extended Reporting Period, as described below, if:
  - a. This endorsement is canceled or not renewed; or
  - b. We renew or replace this endorsement with insurance that:
    - (1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
    - (2) Does not apply to an act, error or omission on a claims-made basis.
2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.
3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The "employee benefit programs" insured;
- b. Previous types and amounts of insurance;
- c. Limits of insurance available under this endorsement for future payment of damages; and
- d. Other related factors.

**BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy).

This endorsement, effective 12:01 AM 07/01/2011 forms a part of Policy No. WC 001-64-5698

Issued to TURBO DATA SYSTEMS, INC.

By GRANITE STATE INSURANCE COMPANY

We have a right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against any person or organization with whom you have a written contract that requires you to obtain this agreement from us, as regards any work you perform for such person or organization.

The additional premium for this endorsement shall be 2.00 % of the total estimated workers compensation premium for this policy.

Proposals received for  
City of Huntington Beach Parking Citation Payment Processing Services.

<b>Vendor Name</b>	<b>Contact Phone</b>
Data Ticket Inc.	949.752.6937
Duncan Solutions/City of Inglewood	310.412.4270
iParq	805.963.9400
T2 Systems	317.524.2145
The Phoenix Group	714.460-7200
Turbo Data Systems	714.368.4808



# CITY OF HUNTINGTON BEACH

## Professional Service Approval Form

### PART I

Date: 11/8/2011                      Project Manager Name: Jim Slobojan  
 Requested by Name if different from Project Manager: Jim Slobojan  
 Department: Finance

**PARTS I OF THE PROFESSIONAL SERVICES CONTRACTS APPROVAL FORM MUST BE COMPLETED BY THE REQUESTING DEPARTMENT AND SIGNED BY THE CITY MANAGER, FOR APPROVAL, BEFORE PROCEEDING WITH THE SOLICITATION OR CONTRACT PROCESS. PART I MUST BE FILED WITH ALL APPROVED CONTRACTS.**

1) Briefly provide the purpose for the agreement:  
 A three year contract for the processing and mailing of parking citations, including payment options, collections and administrative review/adjudication services.

2) Estimated cost of the services being sought: \$ 450,000

3) Are sufficient funds available to fund this contract?     Yes     No  
 If no, please explain:

4) Is this contract generally described on the list of professional service contracts approved by the City Council? If the answer to this question is "No," the contract will require approval from the City Council.)     Yes     No

5) Amount, Business Unit (8 digits) and Object Code (5 digits) where funds are budgeted:

10035209.69505	\$ 450,000	<sup>\$370,000</sup>	.	\$
.	\$	.	.	\$
.	\$	.	.	\$

6) Check below how the services will be obtained:  
 A Bid solicitation process in accordance to the MC 3.03.060 procedures will be conducted.  
 MC 3.03.08(b) – Other Interagency Agreement procedure will be utilized.  
 MC 3.03.08 – Contract Limits of \$30,000 or less exempt procedure will be utilized.

*JL*                      *Joyce M. Zucker*                      11/15/11  
 Department Head Signature                      Date

*John Chen*                      11/17/11  
 Director of Finance's Signature                      Date

*[Signature]*                      11/30/11  
 Deputy City Manager's Signature                      Date

APPROVED     DENIED   
*[Signature]*                      12-13-11  
 City Manager's Signature                      Date



# CITY OF HUNTINGTON BEACH

## Professional Service Approval Form

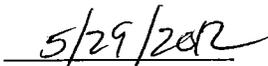
### PART II

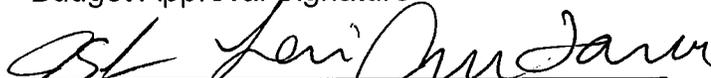
Date: 5/9/2012      Project Manager: Jim Slobojan  
Requested by Name if different from Project Manager: Jim Slobojan  
Department: Finance

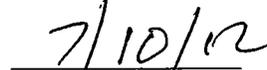
**PARTS I & II OF THE PROFESSIONAL SERVICES CONTRACTS APPROVAL FORM MUST BE COMPLETED BY THE REQUESTING DEPARTMENT AND SIGNED FOR APPROVAL. PART I & II MUST BE FILED WITH ALL APPROVED CONTRACTS.**

- 1) Name of consultant: Turbo Data Inc.
- 2) Contract Number: FIN 2012-02-0  
(Contract numbers are obtained through Finance Administration x 5630)
- 3) Amount of this contract: \$ 370,000
- 4) Is this contract less than \$50,000?  Yes       No
- 5) Does this contract fall within \$50,000 and \$100,000?  Yes       No
- 6) Is this contract over \$100,000?  Yes       No  
(Note: Contracts requiring City Council Approval need to be signed by the Mayor and City Clerk. Make sure the appropriate signature page is attached to the contract.)
- 7) Were formal written proposals requested from at least three available qualified consultants?  Yes       No
- 8) Attach a list of consultants from whom proposals were requested (including a contact telephone number.)
- 9). Attach Exhibit A, which describes the proposed scope of work.
- 10) Attach Exhibit B, which describes the payment terms of the contract.

  
\_\_\_\_\_  
Budget Approval Signature

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Director of Finance (or designee) Signature

  
\_\_\_\_\_  
Date