
AGREEMENT FOR PROCESSING PARKING CITATIONS

This Service Agreement is made by and between **Professional Account Management LLC**, hereinafter referred to as "Contractor" and **The City of Racine, WI**, hereinafter referred to as "City" and entered into this _____ day of _____, 2008. The parties intend by this Agreement to provide for the processing of fines, penalties, and forfeiture thereof, in connection with the issuance of citations for parking violations, and the collection of delinquent parking fines and penalties pursuant to the laws of the State of Wisconsin. In the furtherance of this purpose, the parties do hereby agree to the following terms and conditions:

ARTICLE I - PROCESSING

1.1 REFERRAL AND RECONCILIATION

Contractor shall receive and process parking citations, which the mails or delivers to it. The City shall deliver, mail, or transmit all parking citations issued each calendar month. Contractor will provide a daily reconciliation of the number of citations delivered by the Agency.

1.2 COMPUTER PROGRAMS AND HARDWARE

Contractor will provide all the computer programs, written procedures and other supporting items used in carrying out the purpose of this Agreement. The Contractor shall be responsible for the warranty and maintenance of all the hardware and software including the AutoCITEs and other computer equipment listed on Exhibit A. The City is responsible for any damage, loss, and/or theft of any/all computer hardware, software, and/or equipment used by the Agency at the Agency location. The Agency will provide insurance coverage for such equipment as described herein.

1.3 BASE PROCESSING

Citations issued by the Agency (AutoCITE or manual) will be entered onto the Contractor's Service Center Computer System and cleared upon payment or other disposition. Requests for Registered Owner information will be sent to the appropriate Departments of Motor Vehicles (DMV). The Notice of Illegal Parking (NOI) will be generated to the Registered Owner and the penalty or fine amount requested. Return payments will be made directly to the City. DMV registration holds will be placed on vehicles having unpaid parking fines and fees due against those vehicles according with the Wisconsin Vehicle Code and other applicable state and local laws. The City will be responsible for any and all Court, State, and DMV charges for the hold placement. DMV holds shall be removed through DMV when the registered owner satisfies the entire amount of parking citation fines, fees, and penalties due against the vehicle. Once the citations have been entered into the system, it will be the

City's responsibility to complete all the processing required by the Agreement, even after the termination of the Agreement.

1.4 NOTICE GENERATIONS AND MAILING

The Notice of Illegal Parking (NOI) will be generated by Contractor and mailed by the Contractor to the Registered Owner requesting the penalty and/or fine amount due. Postage for the notices will be paid by the Contractor and billed to the Agency for reimbursement. Return payments will be made directly to the City. The City will complete all collections and banking activity.

1.5 SUSPENSION OF PROCESSING

Contractor shall suspend processing any citation referred to it for processing upon written notice to do so by the City. Contractor shall maintain records indicating any suspension of a citation as a result of City's request. Contractor shall be paid the contractual rate hereinafter provided for processing these suspended citations.

1.6 COMPUTER SYSTEM

Contractor will provide Agency with Internet inquiry capability at the Agency location for inquiry into the system for retrieval of parking citation information. This capability will be in the form of ten (10) unique user licenses installed at the City location. The City will be responsible for all connection and/or line costs.

1.7 CITATIONS DISPOSED OF BY REVIEW HEARING OR COURT

As a result of an administrative review or hearing, or court action, the City may be required to reduce, cancel or void, on an individual basis, parking citations, which have been referred to it. Contractor shall be paid the contractual rate hereinafter provided for processing the citation regardless of the outcome of such action. City shall maintain records indicating any reduction or cancellations of parking citations as a result of such action.

1.8 SERVICE OPTIONS

City shall receive, and pay for services and equipment outlined in Attachment "A" (Schedule of Fees).

1.9 OUT-OF-STATE CITATIONS FOLLOW-UP COLLECTIONS

Out-of-State citations will be entered onto the system the same as in-state citations. If they become delinquent (as specified in Attachment A) a collection follow-up process will be completed by the Contractor. Requests for registered owner information will be sent to the appropriate state agency and delinquent notices will be mailed. The fine and penalty amounts will be requested from the registered owner and instructions issued for payment to be to the City. The fee for this follow-up collection service is listed on Attachment "A".

1.10 COLLECTION AND DEPOSIT OF FUNDS

At the direction of the Agency, the Contractor shall collect and deposit monies received for the payment of parking citation fines and fees into a parking account with a financial institution local to the Contractor. Compensating balances on deposit in the account will offset bank charges. If such balances are not sufficient to cover such charges the Contractor shall pay such additional charges and then bill the Agency accordingly with the monthly reporting and billing process. Contractor will receive payments from vehicle owners through the mails.

1.11 COLLECTION DISBURSEMENT

Contractor shall disburse monthly, all monies on deposit from the payment of parking citation fines and fees to the City. Disbursement shall be made after the close of the processing month beginning the month following the Agreement date.

1.12 IVR PAYMENTS

Contractor shall provide the public with the ability to pay parking citations using an accepted credit card via the Contractor provided Interactive Voice Response system. The cost for this service, including credit card discount fees, will be recovered by the Contractor in the form of a convenience fee assessed to the violator for each such credit card payment.

1.13 INTERNET PAYMENTS

At the option of the City, the Contractor shall provide the public with the ability to pay parking citations using an accepted credit card via the Contractor provided Internet payment site. The cost for this service, including credit card discount fees, will be recovered by the Contractor in the form of a convenience fee assessed to the violator for each such credit card payment.

ARTICLE II - GENERAL

2.1 CONTRACTOR LIMITATIONS

Contractor may not do any of the following, without Agency's prior approval, in writing:

- (a) Take any legal action;
- (b) Threaten any legal action; or
- (c) Make any communication, oral or written, regarding potential legal action.
- (d) Disclose any information regarding driving records or registration information which is in violation of the provisions of the laws of the State of **Wisconsin**.

2.3 USE OF APPROVED FORMS

All forms, delinquency notices, and correspondence sent by the Contractor must conform to State and local law and City procedures, and be approved by the City.

2.4 TAXES AND FEES

The Contractor will meet any City requirements for a Business License, Local or State Sales or Use Taxes. The Contractor will pay these taxes or fees when required.

ARTICLE III - COMPENSATION

The Agency shall compensate the Contractor for services according to the Schedule of Fees attached hereto as Attachment "A" and the terms of this Article III.

3.1 PROCESSING SERVICES

For performance of the processing services described in Article I, the City will pay the Contractor the rate set forth on the Schedule of Fees, Attachment A, for each parking citation entered and processed by the Contractor, regardless of the ultimate disposition or processability of such citation. No extra processing charge shall be made for a citation determined to be unprocessable pursuant to paragraph 1.1 and subsequently corrected and re-entered into the database. Out-of-State Collection Services, Special Collection Processing Services and any other follow-up services are in addition to regular processing as described in the Schedule of Fees. The contingency fees are only for delinquent Out-of-State Collection Services, delinquent Special Collection Processing Services and/or any other delinquent follow-up services, are not for citations in those categories which are paid prior to referral for Collection Services.

3.2 BILLING AND PAYMENT PROCEDURES

Contractor shall provide the City on a monthly basis with a statement and fee analysis that accurately reflects the fees earned during the preceding period. Contractor will deduct their fee from the monies collected and issue a payment to the City for the balance owed the City. The City shall either approve or reject the statement and fee analysis. If these documents are rejected by the City, Contractor will be notified, and both parties shall use their best efforts to resolve the disputed items.

3.3 CONTRACT ADJUSTMENTS

All postage for this agreement will be paid by the Contractor and then itemized on the monthly billing to City for reimbursement. If the postal rates increase during the term of this Agreement, the compensation the City has agreed to pay the Contractor shall be raised immediately to offset the direct effect of the postal increase paid by the Contractor.

3.4 CONSUMER PRICE INDEX ADJUSTMENTS

The costs listed in Appendix A for ticket processing and related services shall be firm for the initial year of the contract term and shall be adjusted each subsequent contract year including any renewal periods on the basis of the increase in the Consumer

Price index for all Urban Consumers (CPI-U) for the City of Racine area.

ARTICLE IV - TERM OF AGREEMENT

4.1 PERIOD OF PERFORMANCE

The Period of Performance under this Agreement shall be for **five (5)** year(s) and shall commence upon the approval as attested by the signing by the City and the Contractor.

4.2 AUTOMATIC RENEWAL

The term of the Agreement will then be automatically renewed annually for additional one (1) year periods by the mutual agreement of both parties, after the initial **five (5)** year period, unless Contractor or City notifies the other in writing at least ninety (90) days prior to the expiration date of the initial Period of Performance.

4.3 PRICE INCREASES

The Contractor may request other price increases, thirty (30) days prior to the anniversary date of the Agreement. Any increase in price for this Agreement, excepting postage in paragraph 3.3, and CPI in paragraph 3.4, shall require prior written approval by the Agency.

4.4 TERMINATION

This Agreement may be terminated in writing, without cause, by either party upon thirty (30) days written notice to the other party, after **five (5)** year(s) from the date of execution of the Agreement. This Agreement may be terminated upon the failure of either party hereto to fulfill any of its obligations under this Agreement provided that the party aggrieved by such default has given to the other party written notice of such default and, for a period of ninety (90) days from the date of such notice, and the defaulting party has failed or refused to remedy such default.

4.5 COMPENSATION

Upon termination of this Agreement, Contractor shall be compensated for parking citations processed through the date of termination of the Agreement.

4.6 APPROPRIATION CLAUSE

This Agreement shall be subject to the availability of an appropriation by the **City of Racine** in each fiscal year; provided, however, that (i) the **City of Racine** and agrees to use its reasonable best efforts to obtain such appropriation in its budget, and (ii) that in the event the **City of Racine** fails to obtain an appropriation for the services described herein, the **City of Racine** covenants and agrees that it will not permit any other person or entity to provide the same or similar services.

ARTICLE V - CONFIDENTIALITY

5.1 MATERIALS CONFIDENTIAL

All reports, information, data files and tapes furnished or prepared by the Contractor, its sub-contractors, successors or assigns (to the extent hereinafter allowed) for the purpose of transmittal to the Agency pursuant to this Agreement are confidential.

5.2 CONSENT REQUIRED FOR DISCLOSURE

No report, information, data files, or tapes furnished or prepared by the Contractor or its sub-contractors, successors or assigns, shall be made available to any individual or organization without the prior written approval of the Agency, other than individuals or organizations who are reasonably necessary to effectuate the terms and conditions of this Agreement or as required by State law.

ARTICLE VI - CLAIMS AND ACTIONS

6.1 REASONABLE ASSISTANCE OF CONTRACTOR

In the event any claim or action is brought against the City relating to Contractor's performance or services rendered under this Agreement, the Contractor shall render any reasonable assistance and cooperation, which the City might require.

6.2 AGENCY COOPERATION

In the event any claim or action is brought against the Contractor relating to the Contractor's performance of services rendered under this Agreement, the Contractor shall notify the City, in writing, within five (5) days, of said claim or action. City shall render any reasonable assistance and cooperation that the Contractor might require.

6.3 INDEMNIFICATION BY CONTRACTOR

Contractor agrees to indemnify and hold City harmless against any and all liability, costs, and expenses, including attorney's fees, occasioned by claims or suits for loss or damages arising out of acts of the agents, servants, employees, successors, or assigns (to the extent hereinafter allowed) of the Contractor during the term of this Agreement.

6.4 INDEMNIFICATION BY AGENCY

Agency agrees to indemnify and hold Contractor harmless against any and all liability, costs, and expenses, including attorney's fees, occasioned by claims or suits for loss or damages arising out of acts of the agents, servants, employees, successors, or assigns (to the extent hereinafter allowed) of the City during the term of this Agreement.

6.5 INSURANCE

Contractor shall, at its expense, provide general public liability insurance, in an amount not less than \$1,000,000.00, with the Agency named as an additional insured, and with the insurance carrier and form of policy subject to approval by the Legal Counsel of City of Racine. Contractor shall provide a certificate of insurance, showing the City, its officers and employees, as an additional insured, with a provision that the policy shall not be canceled or terminated except upon thirty (30) days prior written notice to City. Upon request by City, Contractor shall furnish the original or a copy of such insurance coverage, which shall be maintained at all times during the term of this agreement. In addition to the said liability insurance, Contractor shall provide and maintain workers' compensation insurance as required by law and shall furnish a certificate to the City showing such coverage in effect.

ARTICLE VII - SUB-CONTRACTING AND ASSIGNMENTS

7.1 SUB-CONTRACTING

Contractor is authorized to engage sub-contractors at the Contractor's expense. Contractor shall notify Agency of the name, address, and other personal information reasonably requested by agency regarding any proposed sub-contractor, within 24 hours after Contractor retains said services. If City disapproves of the use of such sub-contractor, Contractor shall immediately cease to use same on City's account. This approval by the City may not be unreasonably withheld.

7.2 ASSIGNMENTS

This Agreement may not be assigned without the prior written consent of the City.

ARTICLE VIII - INDEPENDENT CONTRACTOR

8.1 CONTRACTOR'S RELATIONSHIP

The Contractor's relationship to the City in the performance of this Agreement is that of an independent Contractor. Personnel performing services under this Agreement shall at all times be under the Contractor's exclusive direction and control and shall be employees of the Contractor and not employees of the City. Contractor shall pay all wages and salaries and shall be responsible for all reports and obligations respecting them relating to social security, income tax withholding, unemployment compensation, worker's compensation, and similar matters. Neither Contractor nor any agent or employee of Contractor shall obtain any right to retirement benefits or other benefits that accrue to employees of the City, Contractor hereby expressly waives any claim it might have to such rights.

8.2 EQUAL OPPORTUNITY EMPLOYER

Contractor is an Equal Opportunity Employer and does not discriminate in the hiring, firing, or other employment practices engaged in by it.

ARTICLE IX - ENTIRE AGREEMENT

9.1 INTEGRATED AGREEMENT

This contract is intended by the parties as a final expression of their Agreement and also as a complete and exclusive statement of the terms thereof, any prior oral or written Agreement regarding the same subject matter notwithstanding. This Agreement may not be modified or terminated orally, and no modification or any claim of waiver of any of the provisions shall be effective unless in writing and signed by both parties.

9.2 COMPLIANCE WITH APPLICABLE LAWS

Contractor agrees to comply with all laws within the State of **Wisconsin** governing the conduct of business, including but not related to laws pertaining to licenses, taxes, corporate regulations, and collection practices.

9.3 GOVERNING LAW

City and Contractor agree that the law governing this Agreement shall be that of the State of **Wisconsin**.

9.4 NOTICES TO PARTIES

Any notice required under this Agreement to be given to either party may be given by depositing in the United States mail, postage paid, first-class, a notice addressed to the following:

Contractor:
Professional Acct. Mgt. LLC
633 W. Wisconsin Ave
Suite 1600
Milwaukee, WI 53203

Agency:

WHEREFORE the parties hereto have entered into the Agreement on the day and year first hereinabove written. The agreement is to be prepared in duplicate and after acceptance by the Agency; a duplicate copy shall be forwarded to the Contractor.

Professional Account Management LLC:

By: _____

Title: _____

City of Racine:

By: _____

Title: _____

ATTACHMENT A **SCHEDULE OF FEES**

Under the terms of service the Contractor will provide the following services:

- Hosting and Maintenance of AutoISSUE and AutoPROCESS hardware and software.
- Provide ten (10) AutoCITE units under a five (5) year lease agreement, with the option to be purchased by the City.
- Maintain oversight of Wisconsin and out-of-State DMV connectivity.
- Responsible for management and oversight of delinquent citations after forty-two (42) days to include courtesy notice mailings and customer service call.

Under the terms of service the City will be responsible for the following services:

- Receipt of all payments on citations not considered to be delinquent through either mail or walk-in.
- Provide In-house customer service.
- Responsible for all Adjudication scheduling.
- Data Entry of all Manual Parking, Municipal and Traffic Citations.
- Maintain oversight and management of the Wisconsin tax intercept initiative.
- Perform other duties that the City deems necessary to manage the Parking Program.

RATE PER CITATION ISSUED:

\$1.25 (One dollar and twenty five cents) will be the initial processing fee subject to CPI increases as described in Section 3.4 of the Agreement. Fee is applicable for parking citations generated by handheld computers and/or electronically transferred to PAM Processing Center, and for manual parking citations processed by the City into the citation master file. The 1st Delinquent Notice and 2nd Delinquent Notice mailing will have a fee of \$.16 per notice item plus postage.

AutoCITE COMPUTERS: (Parking)

- (10) AutoCITE Series X3**
- (2) USB Charger Unit**
- (1) Desktop PC (monitor, keyboard, mouse and cables included)**
- (1) Laser Printer**
- Implementation / Training
- AutoISSUE Software
- Full Maintenance for the term of the Agreement

ADDITIONAL FEES:

All Notices after the 1st Notice and 2nd Notice (Notices sent to lessees, renters, second registered owners and second addresses, or any other Notice or Letter deemed necessary) will be an additional fee of \$.25 per item (POSTAGE ADDITIONAL). An additional fee of \$.25 will be charged for any hand processing associated with any notice, letter or

correspondence. The Contractor will retain fees collected for the processing of NSF checks.

HABITUAL OFFENDER LETTERS:

Habitual Offender Letters may be prepared at Agency request on Agency letterhead or on Parking Enforcement Center (PAM) letterhead or both, accompanied by corresponding delinquent citation information from the habitual offender hotsheet report at a rate of \$1.00 per letter mailed.

OUT-OF-STATE FOLLOW-UP COLLECTION PROCESSING:

The fees for Out-of-State citation follow-up collection processing shall be twenty seven (**27%**) percent of the revenue received on Out-of-State citations that become delinquent, and 42 days has passed since the issue date. The Contractor will require that the Agency execute a standard collection services agreement before undertaking any collection processing.

DELINQUENT IN-STATE FOLLOW-UP COLLECTION PROCESSING:

The fees for In-State citation follow-up collection processing shall be forty percent (**27%**) of the revenue received on In-State citations that become delinquent, and 42 days has passed from the issue date. The Contractor will require that the Agency execute a standard collection services agreement before undertaking any collection processing.

DATA CONVERSION:

Conversion of data files that meet our conversion file standards will not incur any additional charges. Custom programming required to convert data files that do not meet our conversion file standards will be charged at \$150.00 per hour.

SYSTEM ENHANCEMENTS

System enhancement or customization requests will be billed at the rate of \$150 per hour.

BACKLOG CITATION PROCESSING:

All original citations, accompanied by all dispositions for the same period, defined as the backlog, will be processed by Contractor at no additional charge.