

AGREEMENT BIBLIOGRAPHY

Agreement With:	Data Ticket Inc. dba: Revenue Experts, Inc.
Agreement Type:	To provide all related services for processing and collecting of the Business Tax Administrative Citations including invoicing, collections, appeals and hearings process, and FTB Intercept Agency Program for the City
Date Approved:	09 11 2019
Start Date:	09 11 2019
End Date:	09 10 2020 (Option to extend to 2024)
Contract Amount:	\$24,999
Comments:	File No. 55 Community and Economic Dev.
Insurance Expiration:	11 01 2019



CITY OF GARDEN GROVE OFFICE OF THE CITY CLERK

*Safeguard all official records of the City.
Conduct municipal elections and oversee legislative administration.
Provide reliable, accurate, and timely information to the
City Council, staff, and the general public.*

Steven R. Jones
Mayor

Stephanie Klopfenstein
Mayor Pro Tem - District 5

George S. Brietigam
Council Member - District 1

John R. O'Neill
Council Member - District 2

Thu-Ha Nguyen
Council Member - District 3

Patrick Phat Bui
Council Member - District 4

Kim Bernice Nguyen
Council Member - District 6

September 11, 2019

Data Ticket Inc.
2603 Main Street, Suite 300
Irvine, CA 92614

Attention: Marjorie Fleming, President

Enclosed is a copy of the Agreement by and between the City of Garden Grove and Data Ticket Inc., dba: Revenue Experts, Inc., to provide all related services for processing and collecting of the Business Tax Administrative Citations including invoicing, collections, appeals and hearings process, and FTB Intercept Agency Program for the City.

Sincerely,

Teresa Pomeroy, CMC
City Clerk

By: Liz Vasquez
Deputy City Clerk

Enclosure

c: Finance Department
Finance Department/Purchasing
Community and Economic Development

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made this 11th day of September, 2019, by the **CITY OF GARDEN GROVE**, a municipal corporation, ("CITY") and **Data Ticket, Inc.**, herein after referred to as "CONTRACTOR".

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove Council Resolution No. 9212-14 (January 28, 2014).
2. CITY desires to utilize the services of CONTRACTOR to Provide all Related Services for Processing and Collecting of the Business Tax Administrative Citations including Invoicing for Citations, Collections Process, Citation Appeals and Hearing Process, and FTB Intercept Agency Program for the City of Garden Grove.
3. CONTRACTOR is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term and Termination** The term of the agreement shall be for period of one (1) year from full execution of the agreement, with an option to extend said agreement additional four (4) years, for a total performance period of five (5) years. Option years shall be exercised one (1) year at a time, at the sole option of the CITY. This agreement may be terminated by the CITY without cause. In such event, the CITY will compensate CONTRACTOR for work performed to date in accordance with proposal which is attached as Attachment A and is hereby incorporated by reference. Contractor is required to present evidence to support performed work.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Proposal. The Proposal is attached as Attachment A, and is incorporated herein by reference. The Proposal and this Agreement do not guarantee any specific amount of work.
3. **Compensation.** CONTRACTOR shall be compensated as follows:
 - 3.1 **AMOUNT.** Total Compensation under this agreement shall not exceed (NTE) amount of Twenty Four Thousand Nine Hundred Ninety Nine Dollars (\$24,999.00), per year, payable in arrears and in accordance

with Proposal in Attachment "A", Administrative Citation Processing Fee and Adjudication Services, Option 1.

- 3.2 Payment. For work under this Agreement, payment shall be made per invoice for work completed. For extra work not a part of this Agreement, a written authorization by CITY will be required, and payment shall be based on schedule included in Proposal (Attachment A).
- 3.3 Records of Expenses. CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by this Agreement. These records will be made available at reasonable times to CITY.
- 3.4 Termination. CITY and CONTRACTOR shall have the right to terminate this agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated by CITY, then the provisions of paragraph 3 would apply to that portion of the work completed.

4. Insurance requirements.

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance and provide a Waiver of Subrogation in favor of the City.
- 4.2 WORKERS COMPENSATION INSURANCE. During the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable.
- 4.3 INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
 - (a) Commercial general liability in an amount of \$1,000,000.00 per occurrence (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

- (b) Automobile liability in an amount of \$1,000,000.00 combined single limit **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

- (c) Professional liability in an amount not less than \$1,000,000. Insurance companies must be admitted and licensed In California and have a Best's Guide Rating of A-, Class VII or better, as approved by the City. If the policy is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of the agreement, and for a period of three (3) years from the date of the completion of services provided. In the event of termination, cancellation, or material change in the policy, professional/consultant shall obtain continuing insurance coverage for the prior acts or omissions of professional/consultant during the course of performing services under the term of the agreement. The coverage shall be evidenced either by a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

An **On-Going and Completed Operations Additional Insured Endorsement** for the policy under section 4.3 (a) shall designate CITY, it's officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, it's officers, officials, employees, agents, and volunteers as additional insureds for automobiles, owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, it's officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, it's officers, officials, employees, agents, and volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.
6. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of the CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
8. **Compliance with Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government. CONTRACTOR shall comply with, and shall be responsible for causing all contractors and subcontractors performing any of the work pursuant to this Agreement to comply with, all applicable federal and state labor standards, including, to the extent applicable, the prevailing wage requirements promulgated by the Director of Industrial Relations of the State of California Department of Labor. The City makes no warranty or representation concerning whether any of the work performed pursuant to this Agreement constitutes public works subject to the prevailing wage requirements.
9. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.
 - a. (Contractor)
Data Ticket, Inc.
Attention: Heather Nowlan
2603 Main Street, Suite 300
Irvine, CA 92614
 - b. (Address of CITY) (with a copy to):
City of Garden Grove Garden Grove City Attorney
11222 Acacia Parkway 11222 Acacia Parkway
Garden Grove, CA 92840 Garden Grove, CA 92840

10. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR'S proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.
11. **Licenses, Permits, and Fees.** At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.
12. **Familiarity with Work.** By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONTRACTOR'S risk, until written instructions are received from CITY.
13. **Time of Essence.** Time is of the essence in the performance of this Agreement.
14. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONTRACTOR. CITY will deal directly with and will make all payments to CONTRACTOR.
15. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
16. **Indemnification.** To the fullest extent permitted by law, CONTRACTOR shall defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damages of any nature, including interference with use of property, arising out of, or in any way connected with the negligence, recklessness and/or intentional wrongful conduct of CONTRACTOR, CONTRACTOR'S agents, officers, employees, subcontractors, or independent

contractors hired by CONTRACTOR in the performance of the Agreement. The only exception to CONTRACTOR'S responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence, recklessness and/or wrongful conduct of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all 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.

17. **Appropriations.** This Agreement is subject to and contingent upon funds being appropriated therefor by the Garden Grove City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the CITY.

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(Agreement Signature Block on Next Page)

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

Date: 9/10/19

"CITY"
CITY OF GARDEN GROVE

By: [Signature]
City Manager

ATTESTED:

[Signature]
City Clerk

Date: 9/11/19

"CONTRACTOR"
Data Ticket, Inc.

By: [Signature]

Name: Beek Westcott

Title: Chief Operating Officer

Date: 8-13-2019

Tax ID No. 93-1010811

Contractor's License:

Expiration Date:

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:

[Signature]
Garden Grove City Attorney

8-21-19
Date

Attachment "A"



2603 Main Street, Suite 300
Irvine, CA 92614
949-428-7241
ClientServices@DataTicket.com

These services are provided by:

**Data Ticket Inc.
a California Corporation
2603 Main Street, Suite 300
Irvine, California 92614
(Here-in-after sometimes referred to as "COMPANY")**

FOR:

**City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92842
(Here-in-after sometimes referred to as "AGENCY")**

Data Ticket, Inc. intends to provide for the processing of bails, fines and forfeiture thereof, in connection with the issuance of administrative citations pursuant to AGENCY municipal code and other civil debts as designated and owed to the AGENCY.

ARTICLE I - CITATION PROCESSING

1.1 Referral and Reconciliation: COMPANY shall receive and process citations/debts from AGENCY. COMPANY will provide a reconciliation of the number of citations/debts received from AGENCY.

1.2 Determination of Processable Citations/Debts: COMPANY shall screen each citation/debt referred to it by the AGENCY to determine if the citation/debt is processable. If the citation/debt is determined by COMPANY to be unprocessable (e.g., essential processing information is missing), COMPANY shall contact the AGENCY for clarification. COMPANY will be paid the contractual rate hereinafter provided, for citations/debts properly corrected by the AGENCY.

1.3 Collection and deposit of funds: A direct deposit system shall be employed for all funds received for payment of citations/debts. The AGENCY shall have the choice of jointly owning a bank account with the COMPANY or directing the COMPANY to deposit



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into an AGENCY account. Deposits shall be made directly into the account by the COMPANY for the collecting AGENCY, with the exception of credit card payments made using VISA, MasterCard, Discover and American Express cards belonging to the COMPANY. These payments will be directly deposited into an account held by the COMPANY. Credit card payments are reconciled and remitted on a monthly basis to the AGENCY, but tracked on the citation management software on a daily basis. Citations/debts paid by credit card are marked "paid" real-time immediately upon authorization, thus affording the citizen the opportunity to make payment at any time and have the payment recognized immediately.

1.4 PAYMENT: If the COMPANY deposits into an AGENCY account, the COMPANY will invoice the AGENCY for services rendered. Payment in full shall be due within thirty (30) days after which interest shall be accrued at the rate of 6% (or lower if statutes, rules or regulations prohibit this rate). If the COMPANY deposits into an account held jointly between the AGENCY and the COMPANY, the COMPANY shall reconcile the account the month following the banking activity, disperse all revenue due the AGENCY, the COMPANY, any tax liability and all refunds and send all supporting documentation to the AGENCY for its records.

1.5 Delinquency Notices for Administrative Citations/Debts: In accordance with AGENCY ordinance, delinquency notices will be sent to patrons who are not in compliance and have not paid the fines in full. These notices will indicate future actions to be taken in order to collect the fines owed the Agency.

1.6 Franchise Tax Board Interface: The Franchise Tax Board Interagency Intercept Program will be used as the next collection step in the process. A notice merging all debts owed the AGENCY will be sent to the patron showing the total amount due the AGENCY for Administrative Citations/Debts and demanding payment. If payment is not received in full, social security numbers will be attached to each debt and the debt will be placed with the Franchise Tax Board for collections.

1.7 Administrative Review and Hearing: The COMPANY or the AGENCY may schedule administrative hearings to respond to patrons wishing to contest their citations and offers the option to perform and administer those hearings. The COMPANY will provide a web site for appeal and toll-free numbers for appellants. The COMPANY or the AGENCY will correspond with appellants and notify them of decisions; maintain records of dispositions and appeal paperwork and refer all paperwork to Court if required. The COMPANY shall not be responsible for the AGENCY'S failure to provide correct or timely infraction



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information. The AGENCY shall be responsible to pay the \$25.00 court-filing fee if the administrative hearing decisions are overturned by the court.

1.8 Citations Disposed of by Hearing/Court: The COMPANY may be required, as a result of court action, to reduce or cancel, on an individual basis, citations which have been referred to it. COMPANY shall be paid the contractual rate hereinafter provided for processing the citation regardless of the outcome of court action. COMPANY will maintain records indicating any reduction or cancellation of administrative citations as a result of review/hearing/court action. Citations that are dismissed as a result of review/hearing/court decision will have the dismissal processed by the COMPANY promptly after receipt from the review/hearing/court.

1.9 Suspension of Processing: COMPANY will suspend processing on any citation/debt referred to it for processing upon written notice to do so by an authorized officer of the AGENCY. COMPANY will promptly return any citation/debt or facsimile properly requested by the AGENCY. COMPANY will maintain records indicating any suspension of citation/debt as a result of AGENCY'S request. COMPANY shall be paid the contractual rate hereinafter provided for processing the citations/debts suspended by the AGENCY.

1.10 Payments by U.S. Mail: It is the patron's responsibility to ensure that payments are received on or before the date due. The date received by the COMPANY will be the criteria to establish any delinquent fees due.

1.11 Citation System Master File Update: COMPANY will regularly update the citation/debt master file for new citations/debts, payments, reductions, cancellations, dismissals and any other pertinent data.

ARTICLE II - PAYMENT PROCESSING

2.1 Disposition Processing: COMPANY will maintain all citation/debt dispositions for a minimum of two (2) years. Closed citations/debts will remain on-line for a minimum of two (2) years for research and statistical purposes.

2.2 Payments Processing: COMPANY shall process citation/debt payments on a regular basis. Payments shall be immediately posted in one (1) of three (3) following categories:

"Regular Payments" are citations/debts with the correct amount due, paid on or before



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the due date. This includes payments properly complying with the first Delinquent Notice.

"Partial Payments" are citations/debts where payment is less than the total amount of due. .

"Appeal Requests" including payment are all requests for administrative/court hearings. These requests are sorted so that the payment submitted is immediately posted, an appeal hold is placed on the citation and if needed the original citations and backup documents are retrieved for the appeal to be heard.

2.3 Miscellaneous Letters Processing: COMPANY will receive and review all miscellaneous correspondence. These are generally letters requesting, refunds, voids, or otherwise setting forth complaints. These letters will be researched by COMPANY and may be forwarded to the AGENCY for proper follow-up.

2.4 Batching Procedures: COMPANY shall maintain effective procedures of internal control. Such procedures shall involve reconciliation of all payments received using generally accepted accounting principles. After proper reconciliation, deposit slips shall be prepared for and deposits made at the appropriate bank, including an itemized listing of all batch numbers included in the deposit. Citation payment documentation shall be scanned into the System and retained for a minimum of two (2) years.

2.5 Cash Payments: COMPANY shall maintain an effective method of handling cash payments. All cash received through the mail, shall be logged in a cash journal. Thereafter, effective internal control procedures shall be implemented to reconcile such payments using generally accepted accounting principles.

2.6 Deposits: All deposits shall be made daily, subject to regular banking hours. Deposits shall be itemized and detailed information will be captured regarding submitted funds. Deposit slips shall be prepared in duplicate, allowing one (1) copy for the bank and one (1) copy for the COMPANY. If the bank account is held jointly, COMPANY shall perform all reconciliation, refunds and cut all checks. This information shall be available for AGENCY review. Deposits shall be directly deposited into the AGENCY'S designated bank account, either jointly held with the COMPANY or individually held by the AGENCY. If the AGENCY holds the account individually, it will supply deposit slips and an endorsement stamp to COMPANY. In this case, COMPANY shall only have the capability to make deposits on behalf of the AGENCY.

2.7 Revenue Report: A monthly revenue report will list all revenues received during the



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preceding month.

ARTICLE III – WEB SITE

3.1 Citation Management Web Site: The COMPANY offers a web site for AGENCY review of its database, including all citations/debts and information relating to changes in status.

3.2 Citizen Web Site Access: When the AGENCY has web site access, citizens who receive citations/debts will be able to access the web site to review their individual citations/debts and pay on-line.

3.3 Web Site Interaction: The web site may be "view only" or "interactive", for the AGENCY depending on requirements of the AGENCY.

3.4 Web Site Reports: Web site reports are available to the AGENCY on a daily, (24/7) schedule.

3.5 Web Site Use: User ID's and passwords will be assigned to the AGENCY.

ARTICLE IV - GENERAL

4.1 Public Inquiries: The COMPANY will respond to reasonable inquiry by telephone or letter of a non-judicial nature. Inquiries of a judicial nature will be referred to the AGENCY for determination.

4.2 COMPANY Limitations: COMPANY will not take legal action or threaten legal action in any specific case without AGENCY'S prior approval.

4.3 Use of Approved Forms: AGENCY shall have the right to reasonable approval of all forms, delinquency notices, and correspondence sent by the COMPANY. These must conform to State and local law.

4.4 Books and Records: COMPANY will maintain adequate books or records for administrative citations issued within the AGENCY'S jurisdiction and referred to COMPANY for processing. Such books or records, and related computer processing data, shall be available for reasonable inspection and audit by AGENCY at the COMPANY'S location at reasonable times upon adequate prior notice to COMPANY.



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4.5 Ownership: All reports, information, and data, including but not limited to discs, or files furnished or prepared by the COMPANY or its subcontractor (collectively the "Materials") are and shall remain exclusively the sole property of COMPANY, and the AGENCY shall acquire no right or title to said Materials. All computer software and systems, related automated and manual procedures, instructions, computer programs, and data storage media containing same, and written procedures performed hereunder (collectively the "System") are and shall remain exclusively the sole property of COMPANY, and the AGENCY shall acquire no right or title to said Systems.

4.6 Property of AGENCY: All documents, records, discs, files and tapes supplied by AGENCY to COMPANY in performance of this contract are agreed to be and shall remain the sole property of AGENCY. COMPANY agrees to return same promptly to AGENCY no later than sixty (60) days following notice to the COMPANY. The AGENCY shall make arrangements with COMPANY for the transmission of such data to the AGENCY upon payment to COMPANY of any open invoices and the cost of copy and delivery of such information from COMPANY'S computer facilities to AGENCY'S designated point of delivery.

4.7 Confidentiality: In order to enable COMPANY to carry out its work hereunder, to some extent it will have to impart to the AGENCY'S employees information contained in the Materials and Systems (collectively the "CONFIDENTIAL DATA"). The AGENCY agrees that information contained in the data that was marked in writing as "CONFIDENTIAL", "PROPRIETARY" or similarly, so as to give notice of its confidential nature, when submitted to the AGENCY by COMPANY shall be retained by AGENCY in the strictest confidence and shall not be used or disclosed in any form except in accordance with paragraph 4.8 herein below. The AGENCY recognizes that irreparable harm could be occasioned to COMPANY by disclosure of CONFIDENTIAL DATA, which is related to its business, and that COMPANY may accordingly seek to protect such CONFIDENTIAL DATA by enjoining disclosure.

4.8 Consent For Disclosure: No report, information, data, files, or tapes furnished or prepared by COMPANY or its subcontractors, successors, officers, employees, servants, or agents shall be made available to any individual or organization without the prior written approval of AGENCY other than individuals or organization who are reasonably necessary to properly effectuate the terms and conditions of this agreement. This Non-Disclosure obligation shall survive the Termination of this Agreement.



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4.9 COMPANY Files: COMPANY shall maintain master files on citations referred to it for processing under this Agreement. Such files will contain records of payments, dispositions, and any other pertinent information required to provide a reasonable audit trail.

4.10 Storage for AGENCY:

- A. COMPANY agrees to scan original citations/debts and have such information available on the citation management system for a minimum of two years, to permit AGENCY retrieval of such information. AGENCY relieves COMPANY of all liability costs associated with data released by AGENCY to any other person or entity using such data.
- B. Subsequent to the termination of the contract, COMPANY will return a file containing all data belonging to the AGENCY.

ARTICLE V – ADDITIONAL SERVICES

5.1 Other Collections: COMPANY shall, at the direction of the Agency refer designated debts to a Third Party Collection Agency.

5.2 Postal Rate Increase: The COMPANY will maintain auditable records to document the COMPANY'S actual postage costs associated with the mailing of delinquency notices for unpaid citations and for other mailings related to the processing of correspondence. If there is a postal increase, that increase will be invoiced effective on the date that the postal rate increase goes into effect.

ARTICLE VI - REPORTS

6.1 Periodic Reports: COMPANY will submit reports to AGENCY the month following the month in which activity has been reported. The reports will track activities relating to performance under this Agreement. Among the reports which COMPANY may/will generate are the following:

- A. Report of Revenue Collected for Period
- B. Report for Citations/Debts Issued for Period
- C. A balanced summary report for issuing AGENCY providing the status of all citations/debts at the beginning of the period, current period activity, and at the end of the period.
- D. A report for issuing AGENCY identifying individuals owing the AGENCY



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- selected amounts.
- E. A report for issuing AGENCY identifying the citations/debts issued, location, violation by each officer.

ARTICLE VII - TERM OF CONTRACT AND ADDITIONAL SERVICES

7.1 **Term and Renewals:** This Agreement shall be for an initial period of five (5) years, commencing as of the last date of signature. Unless notice of termination is made in writing by either party to the other no less than sixty (60) days prior to the end of the scheduled term, this Agreement shall automatically renew for subsequent one (1) year periods. In conjunction with this automatic extension of the terms of this Agreement, COMPANY may give notice of reasonable price adjustments for its processing services. The AGENCY has thirty days to respond in writing to the purposed increase. Unless AGENCY gives notice in writing of its rejection of these price adjustments, the term shall be extended with these price adjustments as stated. If the AGENCY gives notice of its rejection of these price adjustments, unless there is a further written Agreement between the parties, the term of the Agreement shall not be extended and the Agreement shall terminate.

7.2 **Cancellation:** Upon a material breach or upon ninety (90) days written notice to COMPANY, the AGENCY may cancel or terminate this Agreement. The COMPANY shall have thirty (30) days to cure any material breach or defect set forth in the written termination notice provided by AGENCY.

7.3 **Exclusivity:** AGENCY agrees to utilize only the services of COMPANY during the term of this Agreement for the processing of the citations referred to above. AGENCY agrees during the term of the Agreement to not directly or indirectly assist a competitor of COMPANY in the performance of the services provided by COMPANY under this Agreement.

7.4 **Cost:** Please see Cost Proposal, Exhibit A for all associated costs.

ARTICLE VIII - CLAIMS AND ACTIONS

8.1 **AGENCY Cooperation:** In the event any claim or action is brought against COMPANY relating to COMPANY'S performance or services rendered under this Agreement, COMPANY shall notify the AGENCY, in writing, within ten (10) days, of said claim or action.



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8.2 Hold Harmless: COMPANY AND AGENCY agree to the following hold harmless clauses.

A. COMPANY agrees to indemnify, defend, and hold harmless the AGENCY and its officers and employees against all claims, demands, damages, costs, and liabilities arising out of, or in connection with, the performance by COMPANY or AGENCY or any of their officers, employees, or agents under this AGREEMENT, excepting only loss, injury, or damage caused solely by the active negligence or intentional misconduct of AGENCY or any of its officers or employees.

ARTICLE IX - SUBCONTRACTORS AND ASSIGNMENTS

9.1 Subcontracting: COMPANY is authorized to engage subcontractors, as permitted by law at COMPANY'S own expense, subcontractors shall be deemed agents of COMPANY.

9.2 Assignments: This contract may not be assigned without the prior written consent of the AGENCY. It is understood and acknowledged by the parties that the COMPANY is uniquely qualified to perform the services in this agreement.

ARTICLE X - INDEPENDENT COMPANY

10.1 COMPANY'S Relationship: COMPANY'S relationship to AGENCY in the performance of this Agreement is that of an independent COMPANY. Personnel performing services under this Agreement shall at all times be under COMPANY'S exclusive direction and control and shall be employees of COMPANY and not employees of the AGENCY. COMPANY 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 COMPANY nor any officer, agent, or employee of COMPANY shall obtain any right to retirement benefits or other benefits which accrue to employees of AGENCY, and COMPANY hereby expressly waives any claim it might have to such rights.

ARTICLE XI - INSURANCE

11.1 Insurance Provisions: COMPANY shall provide and maintain at its own expense during the term of this Agreement, the following policy or policies of insurance covering its operations hereunder. Such insurance shall be provided by insurer(s) satisfactory to



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the AGENCY and certificates of such insurance shall be delivered to the AGENCY on or before the effective date of this Agreement. Such certificates shall specifically identify this Agreement and shall not be canceled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the AGENCY.

- A) Comprehensive general liability insurance covering bodily and personal injury and property damage. Limits shall be in an amount of not less than one million (\$2,000,000) dollars per occurrence. Such insurance policies shall name the AGENCY, its officers, agents and employees, individually and collectively, as additionally insured. Such coverage for additional insured shall apply as primary insurance and any other insurance or self-insured retention maintained by the AGENCY its officers, agents and employees shall be excess only and not contributing with insurance provided under said policy.
- B) Comprehensive automobile liability owned, non-owned and hired vehicles with not less than one million (\$1,000,000) dollars combined single limit, per occurrence for property damage and for bodily injury or death of persons. Such insurance shall include the same additional insured and cancellation notice provisions as specified above and may be combined with the comprehensive general liability coverage required above.
- C) Throughout the period of Agreement, COMPANY, at its sole cost, shall maintain in full force and affect a policy of workers' compensation insurance covering all of its employees as required by the labor code of the State of California.

ARTICLE XII – ENTIRE AGREEMENT

12.1 Security Provisions: AGENCY agrees to follow all defined security requirements including but not limited to:

- A) All AGENCY employees who are provided access to services provided by COMPANY must complete a background check and must complete annual security awareness trainings.
- B) All AGENCY employees must sign security agreement documents subject



2603 Main Street, Suite 300
Irvine, CA 92614
949-428-7241
ClientServices@DataTicket.com

to the source state of the information being obtained by DMV entities.

- C) AGENCY must inform COMPANY within 24 hours of an AGENCY employee with access to COMPANY services leaving their role.
- D) AGENCY must inform COMPANY of any breach of information within 24 hours, so the appropriate government agencies can be notified of the breach.
- E) AGENCY understands and agrees that security requirements may change and be updated to reflect the most current security requirements of the government agencies we work with to obtain vehicle registered information.
- F) AGENCY understands that evidence of the security requirements may be requested to comply with COMPANY audit requirements of the governmental agencies we work with.
- G) AGENCY understands and agrees that access to confidential registered owner information may be immediately restricted or terminated if any of the mandatory provisions above are found to be violated or abused.

ARTICLE XIII – ENTIRE AGREEMENT

13.1 **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 or waiver of any of the provisions shall be effective unless in writing and signed by both parties.

13.2 **Law Applicable:** This Agreement shall be construed in accordance with the Laws of the State of California.

13.3 **Notice 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 prepaid, first-class, addressed to the following:



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ClientServices@DataTicket.com

AS TO THE AGENCY:

City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92842

AS TO THE COMPANY:

Data Ticket Inc.
a California Corporation
2603 Main Street, Suite 300
Irvine, California 92614

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year last written below.

AGENCY: CITY OF GARDEN GROVE

COMPANY: DATA TICKET, INC

Signature: _____

Scott C. Stiles

Signature: _____

Brook Westcott

Print Name: _____

Scott C. Stiles
City Manager

Print Name: _____

Brook Westcott

Title: _____

Title: _____

Chief Operating Officer

Date: _____

9/10/19

Date: _____

8-13-2019

ATTEST: _____

Teresa Pomeroy

TERESA POMEROY, CMC

City Clerk

City of Garden Grove

DATED: 9/11/19

Data Ticket, Inc.
 Newport Beach, CA
 O: 949 752-6937; F: 949 752-6033

City of Garden Grove
 Administrative Citation Processing
 Fee Proposal

On the following pages, we have provided the City of Garden Grove 2 fee proposals to process the City's Administrative Citations and Business Tax Fees.

Option 1 provides the City with a single flat fee for all Administrative Citation Processing up to Franchise Tax Board processing.

Option 2 provides the City with a less expensive upfront cost and individual costs for each subsequent transaction.

In addition, we have provided Optional Services the City may wish to utilize.

Fee Description	Administrative Citation Processing Fee Option 1	Administrative Citation Processing Fee Option 2
Citation Processing and Collections		
Manual Citation Processing	\$22.00	\$12.00
Electronic Citation Processing	\$17.00	\$9.00
1st Notice Sent	No charge	\$0.80
Delinquent Collections	No charge	26%* of paid amount
Franchise Tax Board Processing - SSN Look-up	\$3.00 per unique SSN	\$3.00 per unique SSN
FTB Collections	15% of paid amount	15% of paid amount
Credit Reporting Collections Legal Action Not Required	30% of paid amount	30% of paid amount
On Line Access to Data Ticket's Solution (charged to 1 account only)	\$50.00/month	\$50.00/month
Adjudication Services		
Adjudication Hold & Scanning of Documentation	No charge	\$0.50
Disposition Entry	No charge	\$1.00
Disposition Letters	No charge	\$1.25
Hearing Schedule Letters	No charge	\$1.25
Certified Letters	\$5.00 per Letter	\$5.00 per Letter
Hearing Performance	\$75.00 / hr	\$75.00 / hr

*Assessed at Citation Date + 60 Days

To further provide definition surrounding each line item, we have provided additional details below and on the following pages.

Manual and Electronic Administrative Citation Processing:

Services for the above-mentioned items include:

- Data entry of manually written citations performed within 48 hours of receipt
- Quality assurance verification of manually entered citations
- Scanning of all manually written citations onto our network for storage and ease of retrieval
- Bi-monthly shredding of manually written citations
- Electronic transfer of all electronically written citations, recordings, videos and photographs

1st Notice Cost:

Services for the above-mentioned item include:

- Semi-custom Notice that is printed on an 8 ½ x 11" piece of paper with a perforated tear-off payment stub provided in a window envelope sent to the registered owner of a vehicle
- All notices are attached to the citation online and are viewable via the web
- All notices sent via 1st Class Mail
- All notices include a return envelope in which the responsible party may submit payment
- This charge is only incurred if the individual does not pay within 90 days

Delinquent Collections:

- This fee will be assessed when a citation is sixty (60) days past the citation issue date, assuming a first notice has been sent to the registered owner and the citation is not on hold for any reason
- Three Delinquent Notices will be sent to the registered owner at no cost to the Town
- All notices are sent via First Class mail and all notices are printed on an 8 ½ x 11" sheet of paper and folded into a window envelope; in addition, a window envelope is provided for the recipient to return payment
- All notices are attached to the citation online and are viewable via the web
- If Data Ticket does not collect on a citation that is delinquent, the Agency does not owe this fee
- Notices will be sent via 1st Class Mail, and Data Ticket will be responsible for the cost incurred and all customer service and payment entry

Franchise Tax Board Processing:

SSN Look-up

- This fee will be assessed to lookup a social security number associated with a particular responsible party and address
- **This charge is charged per unique SSN, not per citation**

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Administrative Citation Processing
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FTB Collections

- This fee is charged if a citation is paid at the Franchise Tax Board
- **This charge is not combined with any other charge;** for example, if a citation is rolled to delinquent status and paid at FTB, only the 15% of revenue collected will be charged
- Data Ticket will send an FTB Notice to the Customer as required by the Interagency Intercept Program; this notice will be sent via 1st Class Mail at no additional cost to the Town
- All notices are attached to the citation online and are viewable via the web
- **Data Ticket will pay for the Agency's cost to participate in the FTB program;** annually, FTB will send an invoice to the Agency for the number of debts placed at FTB; the Agency will simply provide this invoice to Data Ticket and Data Ticket will pay it in full
- **If Data Ticket does not collect on a citation that is at FTB, the Agency does not owe the collection fee**

Advanced Collections

- This fee is charged if a citation is paid at Advanced Collections
- **This charge is not combined with any other charge;** for example, if a citation is rolled to delinquent status and paid at Advanced Collections, only the 26% of revenue collected will be charged

2nd Level Hearing Hold, Scanning and Scheduling of Hearing

- Data Ticket will review all documentation received by the Appellant and determine whether the request received within the required timeframe
- If the request was received within the required timeframe, Data Ticket's Adjudication Department will place the citation on an Administrative Hearing Request Hold and scan all received documentation into the Solution where it is displayed on the web for the Agency's Staff and the Hearing Officer
- If the request is received outside the required timeframe, the Agency will have the option to proceed as though the request was received within the timeframe or it may elect to have Data Ticket send a "time expired letter" rejecting the appeal
- Data Ticket will work with the designated Hearing Officer to schedule the Hearing based on either a pre-determined schedule or an ad hoc basis, depending on the Agency's schedule

2nd Level Hearing Schedule & Disposition Letters

- Data Ticket will send a custom disposition letter to the Appellant via 1st Class Mail
- **All letters are attached to the citation online and are viewable via the web**
- Disposition letters will be sent Monday – Friday

2nd Level Hearing Disposition

- Data Ticket's independent, certified, insured hearing officers will be provided to the to perform in-person, phone and written hearings

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Administrative Citation Processing
Fee Proposal

- Each hearing request will be reviewed, heard or read and all required research will be performed
- The Hearing Officer will enter a judgment into the Citation Processing System for viewing by the Agency, Appellant and Data Ticket
- Hearings will be scheduled
- The Agency will incur costs associated with mileage as defined by Federal guidelines
- Data Ticket will work with the Agency to arrange for the use of a conference room at an Agency location or the Agency may elect to have citations heard at a centralized location within the County

Joint / Escrow Banking Services (Optional)

\$100.00 per month

Services for the above-mentioned item include:

- Daily deposits of funds to the Agency's escrow account
- Online, real-time reconciliation reports that tie directly to the bank statement
- Processing of all credit card charge-backs and Insufficient Funds
- Month-end reconciliation of all funds collected
- Payment of Data Ticket's invoice
- Disbursement of the net remittance to the Agency
- Scanning of all payments directly to joint bank account daily using remote check deposit
- The Agency will be responsible for the purchase of banking supplies, including checks and endorsement stamps; these fees typically run \$200.00 per year
- Refunds verified and issued weekly

Online Access for the Agency's Customers:

Included

The Agency's Customers will have the ability to perform the following functions online:

- View real-time citation(s) data
- Pay for a single or many citation(s)
- Request a Hearing online and attach up to 3 supporting documents
- Print a receipt
- View pictures of the citation taken by the issuing officer (if the Agency allows)

Online Access for the Agency's Staff:

Included

Access to the Agency's data is based on unique usernames and passwords assigned to everyone who requires access to the system. **Data Ticket does not limit the number of individuals who have access to the system and the number and types of access can change at any point with a simple email request to Data Ticket.**

Our Solution is setup to maintain a complete audit trail for each transaction in the system so that the **username is displayed next to every transaction in the system, indicating who performed the transaction and when.**

Dependent on the access rights provided to each Agency Staff member, the following capabilities are available:

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City of Garden Grove
Administrative Citation Processing
Fee Proposal

- View real-time citation(s) data, including pictures taken by the Issuing Officer
- Accept payment via VISA, MasterCard, Discover and American Express credit/debit cards
- Accept payment via Cash, Check or Money Order
- Process NSF's, Charge-backs and Refunds
- Reduce or increase violation amounts, dismiss citations, void citations and place a citation on hold
- Change citation data, including violations, date, time, location, comments, and others
- Generate a time expired or letter of non-responsibility for a citation in the adjudication process
- View the complete reason for the Hearing Request and supporting documentation provided by the Appellant directly online
- Edit Appellant information
- Upload disposition documents sent to the Agency via US Mail
- Add a note to a citation and see all comments added to the citation
- View the reason for the 2nd Level Administrative Hearing Request online and view the supporting documentation provided by the Appellant, directly online
- Print a receipt with or without responsible party information

Reporting:

Included

- Data Ticket offers 24 reports online for our Clients to generate, print and re-print 24/7. We provide real-time reports that can be generated for any timeframe required and we provide pre-processed/month-end reports that reflect the month-end view of data.
- All reports are available online and **because we do not purge data unless specifically requested to do so by a Client, the data is available if the Agency is a Client.**
- All reports are generated in HTML so our Clients can copy and paste the data into Excel for data manipulation purposes.
- Report Generator capabilities that provide Town Personnel with the ability to create, save, share and print custom reports at any time for any time frame.
- If the Agency were to request a report that was not already available, Data Ticket would work with the Agency to design the report and provide it to the Agency at no cost.

Manual Payment Processing:

Included

- Manually received payments (checks, cash, money orders and credit card payments sent via US Mail) are received at our PO Box in Newport Beach where a bonded and insured courier picks up the mail daily and delivers it to our Newport Beach office
- On-site Mail Department opens, sorts and batches the payments before providing them to our on-site Data Entry Department
- After double-blind entry of each payment, the citations are updated by our Quality Assurance team

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Administrative Citation Processing
Fee Proposal

- Payments are then provided to our Accounting Department where daily deposit slips are completed and provided to a bonded, insured courier who takes them to the bank

Charge-backs and NSF's **\$5.00 per issued instance**

- Data Ticket will process credit card charge-backs and NSFs when notified of each occurrence if Agency is not an escrow account holder
- Once processed, Data Ticket will send a custom letter to the individual detailing the returned item and the amount due on the citation

Refunds **\$5.00 per issued instance**

- Data Ticket will process refunds when notified of each by the Agency
- In the event the Agency utilizes Joint Banking, Data Ticket will verify, generate and send each refund due
- Refunds will be issued weekly
- Refunds will be sent via 1st Class Mail

Customer Service: **Included**

- Data Ticket provides a live, bi-lingual, on-site Customer Service Department that is fully trained to answer questions related to citation issuance, payment, adjudication, FTB, advanced credit reporting collections and more
- **All calls are recorded to quality assurance and recordings can be sent to the Agency at any time for review**
- Data Ticket's IVR is bi-lingual and accessible via several toll-free numbers; the IVR provides real-time information to the caller regarding current status, including the amount due
- The IVR accepts VISA, MasterCard, Discover, and American Express

Web Presence: **Included**

- Data Ticket's Solution is 100% web-based and Section 508 Compliant and is provided at: www.CitationProcessingCenter.com; this is a generic website in the sense that it is not Agency branded. This website allows for the Agency and the Agency's Customers to access citations online
- **If the Agency prefers an Agency branded website, one in which the look and feel mimics that of the Agency's website, Data Ticket can and will provide this feature to the Agency**

Cost Increases:

Postal Rate Increase Offset – If postal rates increase during the term of the agreement, fees to DTI shall be raised immediately to offset the effect of the actual postal rate increase.

CPI Increases – *There will be NO CPI increases for the duration of the agreement.*



**City of Garden Grove
Compliance Summary Report**

Vendor Number	Vendor Name	AM Best Rating	Insurance Carrier	Policy #	Eff. Date	Exp. Date	Coverage
64840	DATA TICKET, INC	Compliant					
		A+r , XV	AMCO Insurance Company	ACPBPO3047427618	11/1/2018	11/1/2019	Auto Liability
		A+r , XV	AMCO Insurance Company	ACPCAA3047427618	11/1/2018	11/1/2019	Excess Liability
		A+r , XV	AMCO Insurance Company	ACPBPO3047427618	11/1/2018	11/1/2019	General Liability
		A , XV	Continental Casualty Company	287188360	11/1/2018	11/1/2019	Professional Liability
		A-p , XI	Employers Preferred Insurance Company	EIG2869443	7/12/2019	7/12/2020	Workers Comp

Risk Profile : Professional Services/Consulting

Required Additional Insured : City of Garden Grove, its officers, officials, agents, employees and volunteers