

**AGREEMENT FOR COLLECTION SERVICES:
ADMINISTRATIVE CITATIONS**

As of December 5, 2006, **City of California City** (herein "City"), and the **Revenue Experts, Inc.** (herein "Company") agree as follows:

1. Purpose.

Under this agreement, Company will collect fines and forfeitures levied by the City as a result of administrative citations.

2. General.

(a) Each week the City shall transmit copies of administrative citations issued during the preceding week. The Company will assemble the administrative citations into its database. The Company shall seek payment of administrative citations from the violator.

(b) Each month, the Company shall account for payments by the violator and transmit the payments to the City.

(c) The City shall inform the Company when an administrative citation has been appealed. The Company shall forego efforts to collect the administrative citations until the appeal is resolved. The City shall notify the Company of the outcome of the appeal. As appropriate, the Company will resume efforts to collect the administrative citation after the appeal has been finalized.

3. Term.

The term of this agreement is five years commencing on the date first above written. Either party may terminate this agreement on sixty days' notice.

4. Consideration.

City shall pay Company the following amounts for the indicated services:

(a) The greater of \$200.00 per month or \$22.00 for each citation forwarded to the Company by the City for collection.

(b) The sum of \$50.00 per month for web-based real time reporting of transactions by the Company to the City.

(c) The sum of 15% of revenue collected by the Company through the Franchise Tax Board Inner Agency Intercept Program.

5. Other.

(a) This agreement shall be governed by and construed according to the laws of the State of California.

(b) Any notice that either party may or is required to give the other shall be in writing, and shall be either personally delivered or sent by regular U.S. mail, to the following addresses:

To City: City of California City
Attn: City Manager
21000 Hacienda Blvd.
California City, CA 93505

To Company: Revenue Experts, Inc.
Attn: [name]
[address]
[city, state, zip]

(c) Time is of the essence to this agreement and failure to comply with this provision shall be a material breach of this agreement.

(d) The full terms of this agreement are those set forth in writing herein, including all attached Exhibits. No other obligations on behalf of either City or Company, other than those set forth in this agreement, shall be recognized. This agreement may be amended only by a written agreement signed by both parties.

(e) If a lawsuit is brought by either party to this agreement, the parties agree that venue shall be in the courts for the County of Kern.

(f) Each party has reviewed this agreement and any question of doubtful interpretation shall not be resolved by any rule or interpretation providing for interpretation against the drafting party. This agreement shall be construed as if both parties drafted it. The captions and headings contained herein are for convenience only and shall not affect the meaning or interpretation of this agreement.

(i) In any proceeding or action arising from or related to this agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and expenses.

WITNESS THE EXECUTION HEREOF, on the day and year first written above.

City of California City

Revenue Experts, Inc.

Mayor

[Print Name & Title]

Attest:

City Clerk

Approved as to Form:

City Attorney

Exhibit A

FEE PROPOSAL

THE CITY OF CALIFORNIA CITY

<u>Description – Phase I</u>	<u>Proposed Fee</u>
Fee for processing and collecting each citation	\$ 22.00/cite

Specified services and material covered by the Fee for all citations shall include:

- Data entry of handwritten citations and entry of electronically transferred citations
- Processing and collection of all payments
- Disposition and status updating
- All forms and tracking
- Correspondence tracking and response
- Up to four Notices
- 800 line voice mail information 24 hours per day, 7 days per week
- 800 line customer service answered by customer service representative
- Daily Bank Deposits
- Bank reconciliation
- Comprehensive monthly management reports on issuance and revenue
- All required insurance
- Local corporate headquarters

* (Minimum monthly fee \$ 150.00 per month) Applies if basic charges are less than that amount.

Additional Client Real Time Viewing & Reporting on Client Database	\$ 50.00/month
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Includes:

- Client access to entire database real-time includes up to six user passwords
- Viewing and printing citation management reports 24/7
- Citizen web site access for viewing and paying citations 24/7

CONFIDENTIAL INFORMATION

Description – Phase II

- Social Security Number Access \$ 5.00/request
- (One request for multiple citations attached to one violator)

Franchise Tax Board Interface 15% of
(Interagency Intercept Program) collected revenue

Includes:

- Database transfers
- Multiple debts consolidated to one record with total due
- Files sent to IIP
- Noticing
- Daily deposits
- Payment reconciliation
- Deposit reconciliation
- Toll-free customer service inquiry lines
- Web site inquiry and payment access 24/7
- Overpayment verification and refund service
- Customer correspondence as required
- Forms
- Paperwork back-up
- Database updating
- IIP updating
- Monthly management reports

Fee to Violator for Company Credit Card Usage \$ 3.50/use

Option:

In-person Hearing and Toll-Free Hearing Appointments \$ 75.00/hr
(four-hour minimum every 60 to 90 days,
two hearings per hour)

All correspondence and taped hearings included; interface
with court and client, if hearing goes to court.

Cost to Purchase Hand Held Ticket Writers:

**Please see Cost Sheets for Ticket Writers, upon selection of preferred unit,
a total cost proposal will be generated for Agency including exact costs for
all hardware, software, ticket stock, envelopes and additional items.**

CONFIDENTIAL INFORMATION

REVENUE EXPERTS, INC.

ADMINISTRATIVE CITATION PROCESSING & COLLECTION

SERVICES

- Processing of Administrative Citations
- Revenue Collection
- Multiple Notices with Varied Verbiage
- Consistent Noticing Sent According to City Requirements
- Data Entry and Citation Tracking of Administrative Citations, Manually or Electronically
- Citation Status Updates Daily
- Citation Tracking
- Toll Free Customer Information for Citizen Inquiry – 24/7
- Toll Free Customer Care Answer Lines
- Secure Web Site Access for Citizen Inquiry 24/7
- Secure Web Site Access for Citizen Payment 24/7
- Secure Web Site Access to total database for Agency 24/7
- Agency Access to Reports 24/7 on the Web Site
- Citation Reviews/Hearings Scheduled and held
- Appeals Heard by Certified and Trained Hearing Officers Professionally and Impartially Handled Appeals
- Decisions Sent and Tracked
- Deposits Daily
- Bank Account Reconciliation Monthly
- Monthly Reporting, Tracking and Documentation
- Interagency Intercept Program Participation & Interface
- Social Security Number Access for Interagency Intercept Program Participation
- Consolidation of all Debts for Interagency Intercept Program Participation
- Marking, Tracking & Reporting on Interagency Intercept Program Payments
- Handheld Ticket-writers Offered for Complete Automation

FEATURES AND BENEFITS

PROVIDED BY

REVENUE EXPERTS, INC.

Allows Code Enforcement Officers to do their job....Inspect, Warn, Inspect, Cite

Better productivity by outsourcing labor-intensive paperwork

Better control

Better follow-through and focus

Consistent follow-through produces higher compliance

Consistent follow-through produces higher collection rate

Code Enforcement pays for itself

Code Enforcement provides City revenue

Cumbersome Court appearances no longer necessary

Hearings offered expediently and efficiently

Redirects revenue from the Court to the City where it belongs

Provides certified Hearing Officers who understand the importance of Code
Enforcement Programs

Better appeal decisions

WHY CHANGE?

Using **Revenue Experts, Inc.** services, the City will have the resources to provide a comprehensive program that will achieve Council and staff goals of:

REVENUE DIVERSIFICATION AND PRESERVATION – Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

PUBLIC SAFETY – Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City.

POSITIVE ENVIRONMENT – Create a positive environment for the development and growth for the City's future.

COMMUNITY IMAGE, NEIGHBORHOOD PRIDE AND CLEANLINESS – Promote a sense of community pride and foster an excellent image about the City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

SAMPLE TYPES OF ADMINISTRATIVE CITATIONS

Property Maintenance

Illegal Signage

Illegal Vendors

Business Licenses

Health and Safety Codes

Building Codes

Animal Control

False Alarms

Graffiti

Public Nuisance

SOLE SOURCE VALIDATION

We believe that Revenue Experts, Inc. is the only company currently offering the services listed below specifically for administrative citation program management and collections.

- 1) Customized proprietary administrative citation software, (not parking software).
- 2) Secure, real-time web site access to database provided to City for citation status and reporting information.
- 3) Real-time web site access provided to citizen for citation verification and on-line credit card payment.
- 4) No charge to City for credit card payments.
- 5) Multiple customized delinquent notices sent per unpaid citation.
- 6) Timed delinquent notices – not random.
- 7) Provide unbiased third party fully trained and certified hearing officers for appeals.
- 8) Ability to group all debts, using a minimum dollar cutoff for FTB placements.
- 9) Ability and access to match social security numbers based on name and address information.
- 10) Full interface capability with FTB. (Company does all paperwork, marks system, tracks remaining balances and generates reports based on payments made at FTB.
- 11) Vendor acts as an Agent for the City, not as an independent party.
- 12) Vendor offers handheld tickets writers offering administrative citation management software.
- 13) Vendor has been providing these services continuously as a **primary** business for a minimum of two years.

Franchise Tax Board Inter-Agency Intercept Program History

Many of California's citizens owe delinquent sums of money to agencies at all levels of government. Ironically, at the same time, the Franchise Tax Board (FTB) may owe these same individuals a tax refund or a lottery disbursement.

Since 1975, the Franchise Tax Board has been intercepting the tax refunds and lottery winnings of Californians who owe delinquent amounts to state and local agencies. Once intercepted, the refunds and lottery prizes are redirected to the agencies to which the debts are owed and disbursed on a priority basis. The program is operated on behalf of the State Controller's Office.

The Interagency Intercept Program has proven successful and cost-effective, bringing in billions of dollars that may not otherwise have been collected. In calendar year 2004, the program intercepted \$142.2 million and disbursed it to 224 participating agencies.

In 2002 Revenue Experts, Inc. a sister corporation to Data Ticket, began offering to interface with the Interagency Intercept Program on behalf of all of their clients in order to provide a final opportunity for collection of delinquent debts. Debts such as parking fines, municipal code and administrative fines, etc. are eligible to be collected through the program. Some of the cities, including Redondo Beach, Newport Beach, Moreno Valley, and La Quinta, that have previously participated have been impressed with the return rate on their collections.

Revenue Experts, Inc. will administer this program for your Agency. We will handle all written and verbal correspondence with your citizen and the Franchise Tax Board; send the required Franchise Tax Board notices prior to placement in the program; attach the required social security number on the citizen record, combine all debts that correspond to an individual social security number and handle collections, tracking and reporting. There is virtually no labor-intensive work for the Agency to perform. We feel that this program is a valuable resource for our clients and are proud to offer our services for participation.

