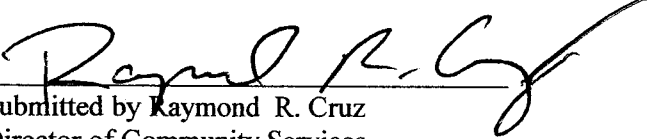





City of Carson Report to Mayor and City Council

June 18, 2013
New Business Consent

SUBJECT: CONSIDER APPROVAL OF AN AGREEMENT WITH CITEZONE TO PROVIDE PARKING CITATION PROCESSING SERVICES FOR THE PERIOD OF JULY 1, 2013 THROUGH JUNE 30, 2016


Submitted by Raymond R. Cruz
Director of Community Services


Approved by David C. Biggs
City Manager

I. SUMMARY

On January 31, 2013, a Request for Proposals (RFP) was initiated to solicit proposals from qualified firms to provide parking citation processing services. After a review of the qualifications of the firms that responded, it was determined that the firm of CiteZONE.com, LLC was the most qualified to provide the required services. Staff recommends that Council award a three-year contract to CiteZONE.com, LLC for parking citation processing enforcement services for the period of July 1, 2013 through June 30, 2016 (Exhibit No. 1).

II. RECOMMENDATION

TAKE the following actions:

1. AWARD a three-year contract to CiteZONE.com, LLC to provide parking citation processing services for the City of Carson, for the period of July 1, 2013 through June 30, 2016 for a total cost of \$300,000.00.
2. AUTHORIZE the Mayor to execute the agreement, following approval as to form by the City Attorney.

III. ALTERNATIVES

TAKE any other action the City Council deems appropriate.

IV. BACKGROUND

On January 31, 2013, an RFP was initiated to solicit qualified firms to perform parking citation processing services. The RFP was extended to ten firms and responses were received from seven firms at the close of the RFP on February 28, 2013. There were no firms identified within the City of Carson that provide the required service and there were no firms located within the City that responded to the RFP. The RFPs were reviewed by the Public Safety Services Manager and the Public Safety Administrative Analyst. After reviewing the proposals, the top-ranked respondent, based on completeness of response, qualifications, cost, and other criteria, was determined to be the firm of CiteZONE.com, LLC.

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The firms that responded are as follows:

<u>Vendor</u>	<u>Location</u>	<u>Cost per citation</u>
CiteZONE.com, LLC	Laguna Hills, CA	\$.25
Turbo Data Systems, Inc.	Tustin, CA	\$.40
Phoenix Group Information Systems	Santa Ana, CA	\$.60
Clancy Systems International, Inc.	Denver, CO	\$.63
Duncan Solutions, Inc.	Milwaukee, WI	\$.99
Data Ticket, Inc.	Newport Beach, CA	\$ 1.10
Complus Data Innovations, Inc.	Tarrytown, NY	\$ 1.51

Duncan Solutions, Inc. is the City's current vendor that provides parking citation processing services. While Duncan Solutions has a long history of experience in the parking industry and has previously provided good service to the City, they have undergone some changes, including their personnel, and their quality of service has significantly declined. Since the departure of key personnel from Duncan Solutions, what had been regular and routine reporting, required for timely payments by the City to both County and State agencies, has become a series of reminders and requests to provide the necessary data. There have also been numerous attempts by current staff members of Duncan to obtain payments in excess of those stipulated in the contract between Duncan and the City. Based on these circumstances, staff can no longer recommend Duncan Solutions to provide services to the City.

The key staff members of CiteZONE have extensive experience in the parking industry. Among them are Gary Ward, Ph.D., who founded Enforcement Technology, Inc. (ETEC) in 1986 and, as the Chief Executive Officer of ETEC (later Duncan Solutions) started, developed and grew the business, including being one of the inventors and developers of the first handheld computer with a printer for the parking industry. Mr. Ward retired in 2006 but has joined CiteZONE as Chairman to provide management experience and administrative guidance. Linda French was the Vice President of Operations for ETEC/Duncan when the City of Carson first started to utilize ETEC/Duncan for citation processing services in 1990. Ms. French had been the account manager for the City until her separation from Duncan last year. She has since joined CiteZONE as Vice President of Operations Management and would be the account manager for the City. It is primarily through the efforts of Ms. French that the City's citation processing has been so seamless until the last year.

Based on their response to the RFP, their pricing and the history of excellent service provided by the company's principles, staff recommends that Council approve the selection of CiteZONE.com, LLC to provide parking citation processing services.

June 18, 2013

A copy of City's RFP No. P13-01 is available in the Purchasing Office and an informational copy has been previously provided to the Mayor and City Councilmembers. The vendor list for RFP No. P10-03 is attached as Exhibit No. 2 and the Bid Register for RFP No. P13-01 is attached as Exhibit No. 3.

V. FISCAL IMPACT

Funds for parking citation processing services are included in the proposed FY 2013/14 budget in account number 01-90-905-118-6005.

VI. EXHIBITS

1. Proposed contract with CiteZONE.com, LLC for parking citation processing services for the period of July 1, 2013 through June 30, 2016. (pgs. 4-23)
2. Vendor list for RFP No. P13-01. (pg. 24)
3. Bid Register for RFP No. P13-01. (pg. 25)

Prepared by: Brent Gesch, Public Safety Administrative Analyst

TO: Rev09-04-2012

Reviewed by:

City Clerk	City Treasurer
Administrative Services <i>J. M. N. Cathagran</i>	Public Works
Community Development	Community Services

Action taken by City Council

Date _____ Action _____

**AGREEMENT TO PROVIDE
PARKING CITATION PROCESSING SERVICES
FOR THE CITY OF CARSON**

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into this ____ day of ____, 2013, by and between the CITY OF CARSON, a general law city and municipal corporation, ("City") and CiteZONE.com, LLC ("Contractor") a California Limited Liability Corporation, operating and doing business in the State of California.

RECITALS

A. WHEREAS, City does not currently provide parking citation processing services and proposes to have Contractor perform the services described herein below; and

B. WHEREAS, City currently contracts for the provision of parking citation processing services; and

C. WHEREAS, Contractor represents that it has that degree of specialized expertise contemplated within California Government Code, Section 37103 and Vehicle Code, Section 40200.5, and holds all necessary licenses to practice and perform the services herein contemplated; and

D. WHEREAS, City and Contractor desire to contract for specific services in connection with the project described below (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

E. WHEREAS, no official or employee of City has a financial interest, within the meaning of California Government Code, Sections 1090-1092, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

AGREEMENT

1. SERVICES PROVIDED BY CONTRACTOR.

1.1 **Scope and Level of Services.** In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services", proposal attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

EXHIBIT NO. 1

1.2 **Contractor's Proposal.** The Scope of Services shall include the Contractor's proposal or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 **Compliance with Law.** All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered.

1.4 **Licenses, Permits, Fees and Assessments.** Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

1.5 **Care of Work.** The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.6 **Familiarity with Work.** By executing this Agreement, Contractor warrants that Contractor (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the Contract Officer.

1.7 **Further Responsibilities of Parties.** Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 **Additional Services.** City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written

approval of the Contractor. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor.

1.9 **Special Requirements.** Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

2. COMPENSATION AND BILLING.

2.1 **Contract Sum.** For the services rendered pursuant to this Agreement, the Contractor shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference, but not exceeding the total maximum contract amount of Three Hundred Thousand Dollars and no cents (\$300,000.00) ("Contract Sum") for the entire initial three (3) year term, except as may be provided pursuant to Section 1.8. The contract amount for the first year of the Agreement shall not exceed One Hundred Thousand Dollars and no cents (\$100,000.00). The contract amount for the second year of this Agreement shall not exceed One Hundred Thousand Dollars and no cents (\$100,000.00). The contract amount for the third year of this Agreement shall not exceed One Hundred Thousand Dollars and no cents (\$100,000.00). Should City choose to exercise its option to extend this Agreement the Contract Sum for the first extended term shall not exceed One Hundred Thousand Dollars and no cents (\$100,000.00) and the Contract Sum for the second extended term shall not exceed One Hundred Thousand Dollars and no cents (\$100,000.00). The maximum compensation for services rendered for five (5) years, if all options to extend the term of this Agreement are exercised, is not to exceed Five Hundred Thousand Dollars and no cents (\$500,000.00). The Contract Sum shall include the lease of the hand-held citation writing computers provided by the Contractor. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City; Contractor shall not be entitled to any additional compensation for attending said meetings.

2.2 **Method of Payment.** Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Contractor wishes to receive payment, no later than the first (1st) working day of such month, Contractor shall submit to the City in the form approved by the City's Administrative Services General Manager, an invoice for services rendered for the previous month prior to the date of the invoice. Except as provided in Section 10.3, City shall pay Contractor for all expenses stated thereon which are approved by City pursuant to this Agreement no later than the last working day of the month. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices. No later than thirty (30) business days after the bill and fee analysis have been

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received, City shall either approve or reject the bill and fee analysis. If the documents are rejected by City, Contractor will be notified, and both parties shall use their best efforts to resolve the disputed items. If any such dispute is not resolved within thirty (30) business days after the bill and fee analysis have been rejected, City shall pay to Contractor that portion of the fee for processing services which are not in dispute.

2.3 **Availability of Funds.** It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control, including other governmental entities. Accordingly, the City has the option to void the whole Agreement or to amend the Agreement to reflect unanticipated reduction in funding, for any reason.

3. PERFORMANCE SCHEDULE.

3.1 **Time of Essence.** Time is of the essence in the performance of this Agreement.

3.2 **Schedule of Performance.** Contractor shall commence the services pursuant to this Agreement on or about July 1, 2013, and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D", if any, and incorporated herein by this reference.

3.3 **Force Majeure.** The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

3.4 **Term & Extended Term(s).** Unless earlier terminated in accordance with Section 10.10 of this Agreement, this Agreement shall continue in full force and effect from and after July 1, 2013, and for three (3) consecutive calendar years thereafter. City reserves the right, in its sole and unfettered discretion, to extend the Term of this Agreement for up to a maximum of two (2) one-year extended terms (an "Extended Term"). City shall exercise its right to extend the Term of the Agreement by providing Contractor with written notice of its intent to extend the Term or any Extended Term of this Agreement not less than thirty (30) calendar days prior to the expiration of the Term or any Extended Term of this Agreement.

4. COORDINATION OF WORK.

4.1 **Representative of Contractor.** The following principals of Contractor are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

FOR: "CONTRACTOR"
CiteZONE.com
Name: Melissa Ward
Title: President and CEO
Address: 23151 Verdugo Drive – Suite 202
Laguna hills, CA 92653
Phone: 888-755-2011
Fax: 888-388-0484

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City.

4.2 **Contract Officer.** The Contract Officer shall be such person as may be designated by the City Manager of City. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 **Prohibition Against Subcontracting or Assignment.** The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

4.4 **Independent Contractor** Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or



employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

5. INSURANCE AND INDEMNIFICATION.

5.1 **Required Insurance.** Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

A. **Commercial General Liability Insurance.** A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000 general aggregate.

B. **Worker's Compensation Insurance.** A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.

C. **Automotive Insurance.** A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000 per accident, combined single limit. Said policy shall include coverage for owned, non owned, leased and hired cars.

D. **Employer's Liability Insurance.** A policy of employer's liability insurance in an amount not less than two million dollars (\$2,000,000.00) per claim or bodily injury and property damage.

E. **Additional Insurance.** Policies of such other insurance, including professional liability insurance, as may be required in the Special Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its officers, employees and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing ten (10) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Contractor shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Contractor has provided City with Certificates of Insurance or appropriate

insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Contractor understands and agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Contractor may be held responsible for the payment of damages to any persons or property resulting from Contractor's activities or the activities of any person or persons for which Contractor is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.3 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to this Section 5.1.

5.2 **Non-Limiting Provisions.** Contractor agrees that the provisions of this Section shall not be construed as limiting in any way the extent to which Contractor may be held responsible for the payment of damages to any persons or property resulting from Contractor's activities or the activities of any person or persons for which Contractor is otherwise responsible. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Contractor may be held responsible for payments of damages to persons or property.

5.3 **Standard Endorsement.** Copies of City's standard endorsement forms are attached as Exhibit "E," and incorporated by reference as though fully set forth. Contractor shall file such endorsements with City's Risk Management Division prior to execution of this Agreement.

5.4 **Subcontractor Required Insurance.** In the event Contractor subcontracts any portion of the work in compliance with Section 9 of this Agreement, the contract between Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that Contractor is required to maintain pursuant to this Section.

5.5 **Indemnification.** Contractor agrees to indemnify the City, its officers, agents and employees against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities of Contractor, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the negligent acts or omissions of Contractor hereunder, or arising from Contractor's negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, whether or not there is concurrent passive or active negligence on the part of the City, its officers, agents or employees but excluding such claims or



liabilities arising from the sole negligence or willful misconduct of the City, its officers, agents or employees, who are directly responsible to the City, and in connection therewith:

A. Contractor will defend any action or actions filed in connection with any of said Claims or Liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

B. Contractor will promptly pay any judgment rendered against City, its officers, agents or employees for any such Claims or Liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold City, its officers, agents, and employees harmless therefrom;

C. In the event City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to City, its officers, agents or employees, any and all costs and expenses incurred by City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

6. RECORDS AND REPORTS.

6.1 **Reports.** Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.2 **Records.** Contractor shall keep such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 **Ownership of Documents.** All findings, reports, records, documents and other materials or data including, but not limited to, computer tapes or discs, files, and tapes furnished or prepared by Contractor or any of its employees, subcontractors and/or agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor

shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and the City shall indemnify the Contractor for all damages resulting therefrom. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

6.4 **Release of Documents.** The reports, records, documents and other materials prepared by Contractor in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer. Contractor shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

6.5 **Confidentiality.** Contractor has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs, or files furnished or prepared by Contractor, or any of its subcontractors, and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 et. seq.). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Contractor informs City of such trade secret.

7. BONDING.

Contractor shall furnish and maintain a performance bond issued by a responsible corporate surety admitted to business in the State of California. The performance bond shall be in an amount of one hundred thousand dollars (\$100,000.00). The bonds shall remain in full force and effect throughout the term of the contract. A copy of City's Standard Performance Bond is attached.

8. NONDISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY.

8.1 **Non-liability of City Officers and Employees.** No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 **Conflict of Interest.** No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. When requested by the Contract Officer, prior to the City's



execution of this Agreement, Contractor shall provide the City with an executed statement of economic interest.

8.3 **Covenant Against Discrimination.** Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

9. ENFORCEMENT OF AGREEMENT.

9.1 **California Law.** This Agreement shall be construed and interpreted both as to the validity and to the performance of the parties in accordance with the laws of the State of California. Legal actions concerning a dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

9.2 **Disputes.** In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice, and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the injured party; provided that if the default is an immediate danger to the health, safety, and general welfare, such immediate action may be necessary. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's or Contractor's right to terminate this Agreement without cause pursuant to Section 9.8.

9.3 **Retention of Funds.** Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect City as elsewhere provided herein.

9.4 **Waiver.** No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a

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waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

9.5 **Rights and Remedies are Cumulative.** Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

9.6 **Legal Action.** In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

9.7 **Liquidated Damages.** Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of Zero (\$0.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages.

9.8 **Termination Prior to Expiration of Term.** This Section shall govern any termination of this Agreement except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Agreement at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the breach of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 9.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 9.2.

9.9 **Termination for Default of Contractor.** If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after



compliance with the provisions of Section 9.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

9.10 **Attorneys' Fees.** If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

10. MISCELLANEOUS PROVISIONS.

10.1 **Notice.** Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, CITY OF CARSON, 701 East, Carson Street, CARSON, California 90745, and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

10.2 **Integration; Amendment.** It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.3 **Interpretation.** The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

10.4 **Prohibited Employment.** Contractor will not employ any regular employee of City while this Agreement is in effect.

10.5 **Costs.** Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

10.6 **No Third Party Beneficiary Rights.** This Agreement is entered into for the sole benefit of City and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under, or to this Agreement.

10.7 **Headings.** Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

10.8 **Construction.** The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

10.9 **Waiver.** The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or Agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

10.10 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one Agreement.

10.11 **Exhibits; Precedence.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provision of any exhibit or document incorporated herein by reference, the provisions of this Agreement shall prevail.

10.12 **Severability.** In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

10.13 **Responsibility for Errors.** Contractor shall be responsible for its work under this Agreement. Contractor, when requested, shall furnish clarification and/or explanation as may be required by City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to

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Contractor occurs, in breach of this agreement, then Contractor shall, at no cost to City, provide all necessary design drawings, estimates, and other Contractor professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

10.14 **Corporate Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

10.15 **Warranty & Representation of Non-Collusion.** No official, officer, or employee of the Authority has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the Authority participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code §§ 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Authority official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Authority official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials  

11. ENTIRE AGREEMENT; AMENDMENT.

This Agreement, and any other documents incorporated herein by specific reference, represents the entire and integrated Agreement between City and Contractor. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by the parties which expressly refers to this Agreement.

[SIGNATURE PAGE TO FOLLOW]



IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

"CITY":

CITY OF CARSON,
A general law city & municipal corporation

Mayor Jim Dear

ATTEST:

City Clerk Donesia L. Gause

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

City Attorney

"CONTRACTOR"

CiteZONE.com
a California Limited Liability Corporation

By: _____

Name: Melissa Ward

Title: President and CEO

Address: 23151 Verdugo Drive – Suite 202
Laguna Hills, CA 92653

By: _____

Name: Gary E. Ward, Ph.D.

Title: Chairman and CFO

Address: 23151 Verdugo Drive – Suite 202
Laguna Hills, CA 92653

[END OF SIGNATURES]

EXHIBIT A

SCOPE OF SERVICES

The nature, scope, and level of the specific services to be performed by Contractor are as set forth in City's Request for Proposals #P13-01 and Contractor's February 28, 2013 Proposal and Schedule of Performance.

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EXHIBIT B
SPECIAL REQUIREMENTS

None.

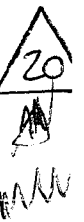


EXHIBIT C

FEE SCHEDULE

Contractor shall be paid in accordance with the Cost Proposal set forth in Contractor's February 28, 2013 response to City's request for proposals #P13-01 and listed below.

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EXHIBIT D
SCHEDULE OF PERFORMANCE

The nature, scope, and level of the specific services to be performed by Contractor are as set forth in City's Request for Proposals #P13-01 and Contractor's February 28, 2013 Proposal and Schedule of Performance.



EXHIBIT E

CITY'S STANDARD ENDORSEMENT FORMS

P13-01
PARKING CITATION PROCESSING SERVICES
VENDORS LIST

<p>ACS ATTN: ANN MUENSTER-NUIRY 606 S. OLIVE STREET, SUITE 2300 LOS ANGELES, CA 90014 (213) 439-6211 - OFC (213) 810-5671 - CELL</p>	<p>CITY OF INGLEWOOD PARKING & ENTERPRISE SERVICE DEPT ATTN: DEAN VIERECK 1 MANCHESTER BLVD., 2ND FLOOR INGLEWOOD, CA 90301 (310) 412-4270 - OFC (310) 330-5755 - FAX dvieseck@cityofinglewood.org</p>
<p>DATA TICKET ATTN: MARJORIE A. FLEMING, PRESIDENT 4600 CAMPUS DRIVE, SUITE 200 NEWPORT BEACH, CA 92660 (949) 752-6937 - OFC (949) 752-6972 - FAX</p>	<p>DUNCAN SOLUTIONS CITATION MANAGEMENT ATTN: JAMES KENNEDY, SR. VICE PRESIDENT 633 W. WISCONSIN AVE., SUITE 1600 MILWAUKEE, WI 53203 (414) 847-3700 - OFC</p>
<p>IPARQ INTELLIGENT PARKING / INET INC. ATTN: AN NGUYEN 1310 ROSECRAN STREET, STE D SAN DIEGO, CA 92106 (619) 866-4085 - OFC (413) 723-7835 - FAX</p>	<p>PHOENIX GROUP INFORMATION SYSTEM ATTN: ESMERALDA MARTINEZ 677 N. MAIN STREET, STE 400 SANTA ANA, CA 92705 (714) 460-7200 - OFC (714) 384-0151 - FAX</p>
<p>SECURTEC DISTRICT PATROL ATTN: MARK LEONETTI P.O. BOX 28525 ANAHEIM, CA 92809-8525 (714) 481-0181 - OFC (714) 240-9000 - CELL</p>	<p>T2 SYSTEMS, INC. ATTN: MICHAEL COYNE 8900 KEYSTONE CROSSING, STE 700 INDIANAPOLIS, IN 64240 (800) 434-1502 EXT. 1405 - OFC (317) 524-5501 - FAX</p>
<p>TURBO DATA SYSTEMS, INC. ATTN: DOUG AMOS 18302 IRVINE BLVD., SUITE 200 TUSTIN, CA 92780-3464 (714) 573-5757 - OFC (714) 573-0101 - FAX</p>	<p>CiteZONE.com ATTN: MELISSA WARD 23151 VERDUGO DRIVE, SUITE 202 LAGUNA HILLS, CA 92653 (888) 755-2011 - OFC (888) 388-0484 - FAX</p>

CITY OF CARSON BID REGISTER

RFP for Parking Citation Processing Services, P13-01

RECEIVED
CITY OF CARSON

NAME OF PROJECT:

13 FEB 28 PM 2:30

BID OPENING DATE: February 28, 2013

TIME: 2:30 p.m.

CITY OF CARSON

#	COMPANY	DATE/TIME RECEIVED	ITEM #1	ITEM #2	ITEM #3	ITEM #4	ITEM #5	ITEM #6	ITEM #7	ITEM #8
1.	Complus Data Innovations, Inc.	2/27/13 11:32 a.m.	\$1.51	20%	20%	incl.	incl	incl	incl	incl
2.	Data Ticket, Inc.	2/27/13 11:34 a.m.	\$1.10	30%	30%	0.20 Incl	Incl	0.20	Incl	See RFP
3.	Clancy Systems International, Inc.	2/27/13 4:53 p.m.	.63	.63	0	.73 Plus Roshing	.53	.63	0	Office C
4.	CiteZone.com	2/28/13 10:13 a.m.	.25	33%	33%	.25 Plus Roshing	.25	.25	.25	See RFP
5.	Duncan Solutions, Inc.	2/28/13 10:55 a.m.	.99	Incl	35%	.25 Per Notice	Incl	\$1.25	.25	See RFP
6.	Phoenix Group Information Syst	2/28/13 11:09 a.m.	.60	32%	35%	.78 Incl Roshing	0	.78	1.25	See RFP
7.	turboData Systems	2/28/13 2:03 p.m.	Per citation .42	of amount collected 28%	of amount collected 28%	.75 Incl Roshing	Incl	Add to base fee 1.10	Per 1.25	See RFP
8.										
9.										
10.										
11.										
12.										
13.										
14.										

EXHIBIT NO. 3