

1                                 SECOND AMENDMENT TO AGREEMENT NO. 30774

2   30774

3                         THIS SECOND AMENDMENT TO AGREEMENT NO. 30774 is made and  
4 entered, in duplicate, as of August 7, 2012 for reference purposes only, pursuant to a  
5 minute order adopted by the City Council of the City of Long Beach at its meeting on July  
6 24, 2012, by and between XEROX STATE & LOCAL SOLUTIONS, INC. (formerly known  
7 as ACS STATE & LOCAL SOLUTIONS, INC.), a New York corporation, with a place of  
8 business at 12410 Milestone Center Drive, Germantown, MD 20786 ("Consultant"), and  
9 the CITY OF LONG BEACH, a municipal corporation ("City").

10                         WHEREAS, the parties entered Agreement No. 30774 whereby Consultant  
11 agreed to perform specialized collection services required in connection with recovery of  
12 unpaid penalties for parking citations; and

13                         WHEREAS, the parties desire to amend certain portions of the Agreement;

14                         NOW, THEREFORE, in consideration of the mutual terms and conditions in  
15 the Agreement and in this Second Amendment, the parties agree as follows:

16                         1.         Section 2 of Agreement No. 30774 is amended in its entirety to read  
17 as follows:

18                         “2.         TERM. The term of this Agreement shall commence at midnight on  
19 July 14, 2008, and shall terminate at 11:59 p.m. on June 30, 2013, unless sooner  
20 terminated as provided in this Agreement, or unless the services or the Project is  
21 completed sooner.”

22                         2.         The Scope of Work attached to Agreement No. 30774 as Exhibit “A”  
23 is replaced in its entirety, attached hereto and incorporated by this reference.

24                         3.         Except as expressly amended in this Second Amendment, all terms  
25 and conditions in Agreement No. 30774 are ratified and confirmed and shall remain in full  
26 force and effect.

27         ///

28         ///

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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IN WITNESS WHEREOF, the parties have caused this document to be duly executed with all formalities required by law as of the date first stated above.

XEROX STATE & LOCAL SOLUTIONS, INC.  
(formerly known as ACS STATE & LOCAL SOLUTIONS, INC.), a New York corporation

8/30/2012

By [Signature]  
President  
Mark S. [Signature]

Type or Print Name

8/30/2012

By [Signature]  
Asst. Secretary  
Paul R. Webber IV

Type or Print Name

"Consultant"

CITY OF LONG BEACH, a municipal corporation

9/2/2012

By [Signature]  
City Manager

**Assistant City Manager**

**EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.**

"City"

This Second Amendment to Agreement No. 30774 is approved as to form on 9-10/2012.

ROBERT E. SHANNON, City Attorney

By [Signature]  
Deputy

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

# EXHIBIT “A”

## Scope of Work

## SCOPE OF SERVICES

XEROX/ACS shall perform collection activities related to unpaid penalties for parking citations issued in the City of Long Beach, and assigned to XEROX/ACS for collections according to the attached life cycle exhibits. The citation lifecycle maybe revised at the sole discretion of the City with a 30-day notice. The City shall, in its sole discretion, determine which citations to submit to XEROX/ACS. XEROX/ACS is authorized to work with its partner collection agencies that are identified by XEROX/ACS and approved by the City in advance, to pursue the collection of assigned debt.

XEROX/ACS shall use its best efforts to collect these unpaid penalties and shall maintain records relating to its collection efforts. These records shall be used to prepare the reports, which XEROX/ACS shall submit, to the City on a schedule to be determined to the mutual agreement of the parties, unless otherwise noted:

### **Out-of-State Registered Owner Name Retrieval (DMV)**

1. Maintain communications with as many States as legally possible, for the purpose of maximizing delinquent citation collections.

### **Delinquent Parking Citation Collections**

1. Submit telephone number and website address to obtain any information needed to retrieve citation status.
2. Provide website to allow violator to query on-line all unpaid delinquent citations by citation number.
3. Provide toll-free telephone service for inquiries in English and Spanish. This service shall be in operation 24 hours a day, 7 days per week.
4. If the City sends citations to XEROX/ACS in error, XEROX/ACS shall return the citations to the City and no commission will be paid.
5. If the City contracts with another party to process its parking citations, then the City shall notify XEROX/ACS and XEROX/ACS shall coordinate its collection activities with the other party.
6. The City may, at its option, request XEROX/ACS to file delinquent citations with the State of California Franchise Tax Board.

### **Credit Reporting Services**

1. XEROX/ACS may be requested to place delinquent accounts with at least one of the three (3) major credit bureaus.

2. XEROX/ACS shall provide all individuals that are subject to credit reporting procedures, a list of instructions and statement of rights under the Fair Credit Reporting Act with the notice of delinquent account.
3. In addition, XEROX/ACS shall issue two Warning Notices and one Notice that the delinquent accounts have been placed with one of the three (3) major credit bureaus. Each communication shall clearly provide information should the registered owner desire to dispute the delinquent account.

#### **Notices and Letters**

1. All correspondence sent by XEROX/ACS in its collection efforts for the City shall be pre-approved by the City.
2. XEROX/ACS shall provide the necessary postage, stationary for correspondence and stock forms to meet all applicable Federal, State and local laws in regard to delinquent account collections.
3. At no additional cost, XEROX/ACS shall implement changes to the text and format of notices and letters at the reasonable request of the City.
4. All correspondence must be sent by first-class mail.
5. Partial Payment notices will be sent by first class mail to those who do not pay the full penalty amount. The notice should indicate the amount that was paid and the remainder that is due.

#### **Payment Processing**

1. Citations will be assigned to the Department of Motor Vehicles (DMV) and XEROX/ACS. All Citations paid at the DMV will be excluded from any and all commission paid to XEROX/ACS.
2. Violators will pay XEROX/ACS directly. With the City's prior approval, XEROX/ACS may arrange a payment plan with the violator. The approved list of violators with current payment plans must be provided to the City to avoid the towing of their vehicle in error. Should a violator fail to honor the payment arrangement, the City must be notified within 24 hours. The payment plan must alert the violator that failure to honor the payment arrangement may result in the vehicle qualifying for Scofflaw action, the violator shall be notified by XEROX/ACS.
3. XEROX/ACS shall provide an automated telephone system that accepts credit card payments (Visa and MasterCard) at a minimum and obtain immediate authorization from banking institution and update the citation database with payment information. In all cases, XEROX/ACS must notify the violator that their payment may not be posted for up to two business

days.

4. XEROX/ACS shall provide web services that provide the ability to pay with Visa and MasterCard credit cards at a minimum with notice of confirmation of payment and submit a daily file to the City to post information to the City's citation database.
5. XEROX/ACS shall deposit all amounts collected on the City's citations into trust accounts until such amounts are remitted to the City.
6. If collection efforts are unsuccessful, then the City may instruct XEROX/ACS to cease its collection activities and return the citations to the City, or may allow XEROX/ACS to retain the citations until the statute of limitations expires.

### **Reporting**

1. Payment Report: detail report showing each payment for a given date range; includes the City's citation number, amount paid, location paid, and amount owed the City and XEROX/ACS.
2. Client Invoice Report: invoice of expenses shall be submitted monthly.
3. Payment Batch Summary: detail report listing each payment, date entered including citation number and amount.
4. Processing Summary: confirms number of records sent to XEROX/ACS, number of records rejected or discarded (duplicates) and records sent for update, total dollar amount, starts and end time for process.
5. Update Summary: number of records and payments processed and updated including status information on citations.
6. Citation Aging Report: provide a monthly report of collection. Program activity in format specified by City. Information shall include, but not be limited to, number of citations assigned to collection program, amount collected, percent of total, period of time (90-120 days) and collection effort (e.g. number of collection notices sent). In addition, XEROX/ACS shall provide a monthly Collection Rate Report for the term of the contract.
7. Monthly Statistics on Citations Sent to XEROX/ACS/Deposited: lists deposits by day for the month, shows all in-state citation, out-of-state and "orphan" citations.
8. Disposition and Revenue for Closed Citations (Citation Age equals 4 years and 8 months): summarizes all citations closed during the month and show revenues collected. Fees due for county taxes are also reported.

## **Support**

1. XEROX/ACS shall provide support services to City for technical support and troubleshooting assistance for any software used in connections with this agreement.
2. XEROX/ACS shall provide on-going technical support and assistance to the City in regard to accessing and interfacing with the parking citation database. XEROX/ACS shall provide necessary on-site training and support to retrieve ETIMS database information.
3. XEROX/ACS shall submit a schedule of holidays when office is closed.
4. XEROX/ACS will provide cooperative access to knowledgeable staff that may be required during the Transition Project.
5. XEROX/ACS will provide designated resources to the project on an as-needed basis to be determined manually by XEROX/ACS and the City.

## **Implementation Plan**

1. XEROX/ACS shall submit and follow an implementation plan that addresses the conversion period. The implementation plan shall include a schedule and a list of key tasks that includes, but not limited to:
  - a. Complete reconciliation of the City and XEROX/ACS databases. The City's database shall be the System of Record.
  - b. Testing of software.
  - c. Trail backup of data.
  - d. Test file export/import functionality.
  - e. Development of an internal and external security plan to prevent access by unauthorized persons and to protect the confidentiality of data.
  - f. Testing and planning procedures for entering data and processing of payment for citations.
  - g. File reconciliation shall occur on a monthly basis.

**PARKING CITATION PROCESS -  
XEROX/ACS  
CALIFORNIA LICENSE PLATE**

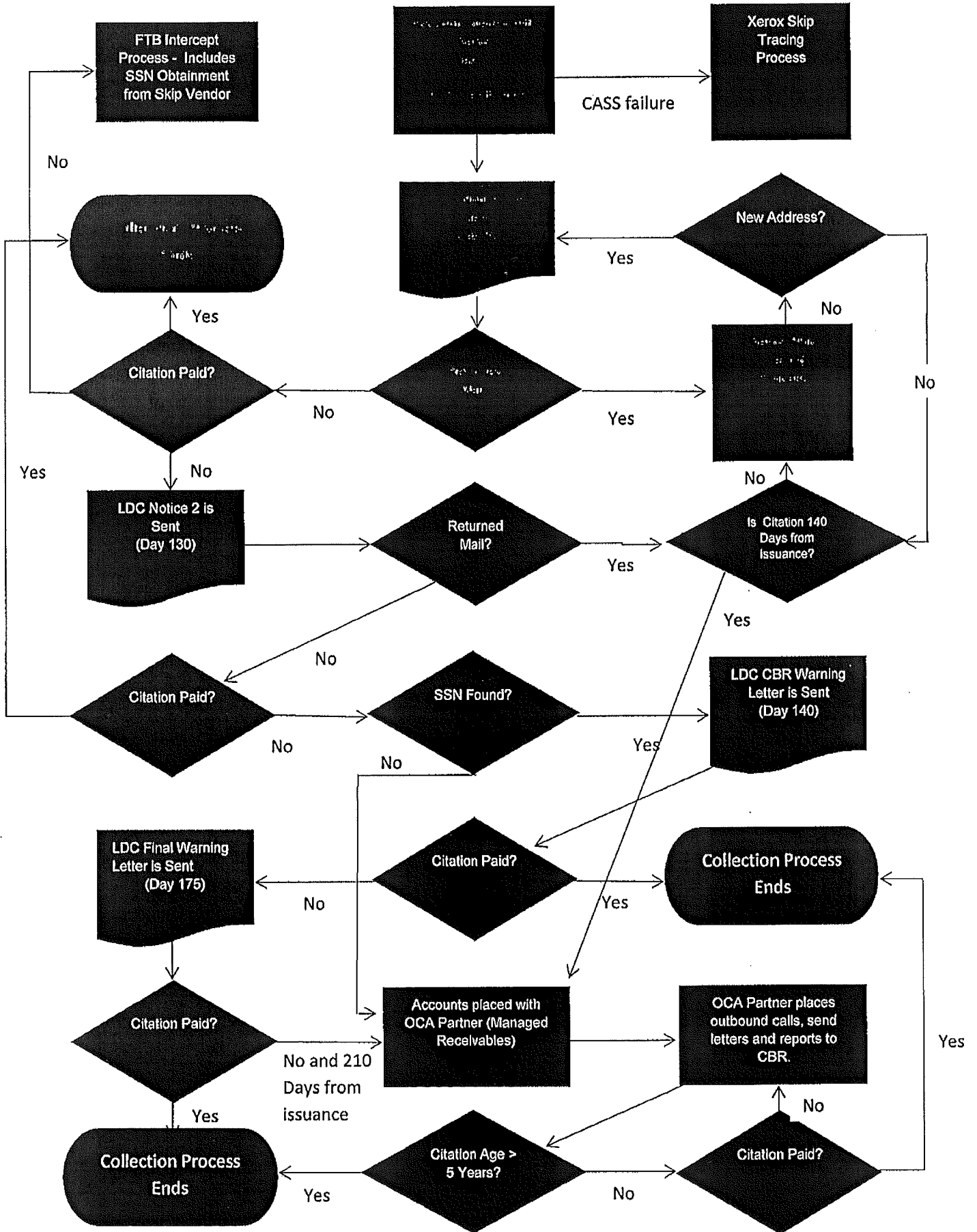
Life Cycle Day	Existing	Proposed
1	Citation is issued and a copy is left on the windshield	Citation is issued and a copy is left on the windshield
2	Registered owner information is requested from DMV	Registered owner information is requested from DMV
3	Registered owner information is imported	Registered owner information is imported
4-8	"A" Notice, First Notice is generated (Friday)	
8-12	"A" Notice is mailed to the responsible party (Tuesday). Due date is 21 days from mail date. Due date is always on a Tuesday	
21-28		"A" Notice, First Notice is generated (Friday)
25-32		"A" Notice is mailed to the responsible party (Tuesday). Due date is 21 days from mail date. Due date is always on a Tuesday
30-34	Late Fee Penalty is added (Wednesday)	
33-37	\$3.00 DMV Hold Fee is added. Although Penalty is added, the Hold Request file is only sent to DMV on Fridays	
48-55		Late Fee Penalty is added (Thursday). The notice states due in 21 days from mail date
49-56		Second Notice ("K" Final Notice) is generated (Friday)
53-60		Second Notice mailed (Tuesday), due in 21 days
76-83		\$3.00 DMV Hold Fee added and a 25% Second Late Penalty is added. The citation is sent to the DMV – Hold Request and to the Collection Agency



**PARKING CITATION PROCESS -  
XEROX/ACS  
OUT OF STATE LICENSE PLATE**

Life Cycle Day	Existing	Proposed
1	Citation is issued and a copy is left on the windshield	Citation is issued and a copy is left on the windshield
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# Xerox – City of Long Beach Collection Flow Chart



Commonwealth of Virginia

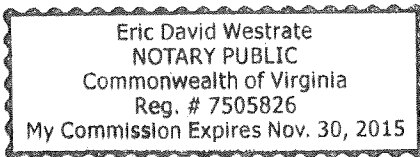
County of Fairfax

On 30 AUGUST 2012 Before me, ERIC DAVID WESTRATE  
(date) (Notary)

Personally appeared, PAUL R. WEBBER, IV  
(signer)

Personally known to me —OR—

Provided to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the agreement.



(SEAL)

WITNESS my hand and official seal

Eric David Westrate

(notary signature)

Commonwealth of Virginia

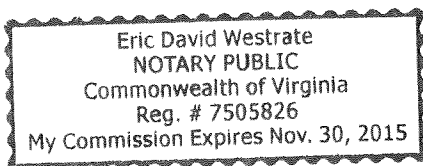
County of Fairfax

On 30 AUGUST 2012, Before me, ERIC DAVID WESTRATE  
(date) (Notary)

Personally appeared, MARK TALBOT  
(signer)

Personally known to me —OR—

Provided to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the agreement.



(SEAL)

WITNESS my hand and official seal

Eric David Westrate

(notary signature)