

**AMENDMENT TO THE CONTRACT BETWEEN
THE CITY OF ST. LOUIS AND DUNCAN SOLUTIONS, INC.**

THIS AMENDMENT, made and entered into this 6th day of April, 2009, by and between the City of St. Louis, a constitutional charter city and municipal corporation of the State of Missouri and the St. Louis Parking Commission (the "City"), and Professional Account Management, LLC, a subsidiary of Duncan Solutions Inc. and a Wisconsin limited liability company registered and authorized to do business in the State of Missouri, and Duncan Solutions Inc., a corporation soon to be registered and authorized do business in the State of Missouri (collectively the "Contractor").

WITNESSETH:

WHEREAS, the City entered into an agreement with Citation Management, Inc., a wholly-owned subsidiary of Contractor in October, 2004 (the "Contract") to provide automated ticket issuance devices and deliver a variety of other services related to the City's on-street parking program;

WHEREAS, Article I, Section E of the Contract authorizes contract amendments and Article II, Section B and Exhibit B of the Contract authorizes the City to request certain Optional Contract Services from the Contractor through the execution of Project Task Orders; and

WHEREAS, the parties desire to modify the Contract by entering into this Amendment, facilitate the execution of Project Task Orders for Optional Contract Services and change certain other Contract terms.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter contained, and other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties hereby agree to amend the Contract as follows:

1. Preamble – Add the following text at the end of the first paragraph on the first page:

This Contract, as originally executed and subsequently modified, amended, extended or renewed is hereinafter called the "Contract."

2. Article I, Section A (Contract Objectives) – This section shall be deleted and replaced in its entirety with the following text:

The City has engaged the Contractor to help it improve on-street parking management activities while at the same time enhancing violation data control and interfacing with the City's processing agent. The City's objectives for this contract include the following:

- Outstanding on-street parking management – Productive use of the City's metered and non-metered on-street parking spaces, including superb customer service, convenient public parking access, efficient traffic flow, vibrant commerce, rigorous revenue and security controls, consistent legal compliance and high net operating income;
- Reliable and efficient parking ticket issuance – Rapid, accurate issuance of durable, easy-to-read parking tickets, rigorous data control, accurate recording of parking violation data and seamless interface of violation transaction data with the parking ticket management system; and

- Thorough public accountability – Comprehensive and easy-to-use reports that support the continual performance monitoring of on-street parking programs and maximize public confidence in the City and its services.

The City's objectives shall be met and monitored in accordance with the terms and conditions of this contract. The City desires to build and maintain a first class public parking program and improving the parking violation, parking meter management and other on-street parking programs are prerequisites for achieving that goal. As such, the City may request the Contractor to provide certain Optional Contract Services as described herein.

3. Article I, Section C (Contract Duration) – This section shall be deleted and replaced in its entirety with the following text:

The term of this contract shall commence at 12:01 A.M., C.S.T. on the date of contract execution and terminate at 12:00 P.M., C.S.T., on December 31, 2016, unless terminated for other reasons as specified herein. The term of the contract shall comprise two phases: the Initial Term (i.e., extending from the date of contract execution through December 31, 2011) and the Extension Term (i.e., extending from the end of the Initial Term through December 31, 2016). The City, subject to annual appropriation, the Contractor's compliance with the terms of the related Project Task Order, and approval of the Parking Commission, may authorize the Extension Term by giving written notice to the Contractor at least ninety (90) days prior to the end of the Initial Term. The City's failure to give the Contractor said 90-day notice shall effectively terminate this contract unless both parties agree to an extension in writing. The duration of the contract may otherwise be modified by a properly-executed written amendment between the parties.

4. Article II, Section G (Performance Bond and Warranties) – Insert the following sentence at the end of the second paragraph of Section G:

Any other additional work undertaken pursuant to this Contract, whether by amendment hereto, separate Project Task Order or otherwise, may require the Contractor to deliver a performance bond to the City in form and substance, and on the identical terms and conditions, as stated in the first two paragraphs of this section, except as such matters, including the minimum amount of such bond, may be modified in the written specifications set forth in the contract amendment or Project Task Order applicable to such work.

5. Article II, Section H (Insurance) – Replace the third sentence of Subsection 3 (Commercial General Liability Insurance) with the following new sentence:

It shall have a combined single limit of One Million Dollars (\$1,000,000) for each occurrence, subject to a Ten Million Dollars (\$10,000,000) umbrella policy limit for completed operations and personal injury, including bodily injury.

6. Article II, Section H (Insurance) – Subsection 4 (Business Automotive Liability Insurance) shall be deleted and replaced in its entirety with the following text:

The Contractor shall procure and maintain business automobile liability insurance during the life of this Contract as amended. Such coverage shall be written on a comprehensive form covering owned, non-owned and leased vehicles used by Contractor for work performed under this Contract as amended. The automobile bodily injury and property insurance for business use shall have limits of not less than Five Hundred Thousand Dollars (\$500,000) liability per person, One Million Dollars (\$1,000,000) per accident, and One Hundred Thousand Dollars (\$100,000) for each incident of property damage. Said insurance shall protect the Contractor and City from any and all claims arising from the use of vehicles, equipment and facilities in connection with this Contract as amended, including the Contractor's own property. To the extent that the Contractor uses, or its employees, subcontractors or agents drive, City-owned or –furnished vehicles, the Contractor will include the City as an additional named insured on the policy.

7. Article II, Section I (Indemnification) – Delete the first paragraph of this section in its entirety and replace with the following new paragraph:

To the fullest extent permitted by law, the Contractor shall release, defend, indemnify and hold harmless the City, its agents, officials and employees, from any and all liability, losses, damages, claims, actions or proceedings, including worker's compensation claims, in any way resulting from, or arising out of, Contractor's negligent acts or omissions and intentional or willful misconduct in the performance of its activities in connection herewith, or its use or occupancy of any portion of the City's facilities which was negligent or involved willful or intentional misconduct, except to the extent such losses or damages are caused by the negligence or willful misconduct of the City or its agents, officials and employees. If the City is threatened with or incurs any loss, damage or expense for which it is entitled to be indemnified by Contractor, it shall as a condition of the indemnity:

- (a) promptly notify Contractor of the claim and furnish to Contractor the claim and all documents received from the third party in support of its claim; provided, however, that failure to give such notice shall not relieve Contractor of Contractor's obligations under this Section except to the extent that Contractor was actually and materially prejudiced by such failure;
- (b) not make any admission as to liability or agree to any settlement or compromise of the claim without Contractor's prior written consent;
- (c) give Contractor express authority to conduct all negotiations and litigation, and to settle litigation, arising from such claim; and
- (d) provide Contractor with such available information and reasonable assistance as may reasonably be required to assess, respond to and, if necessary, litigate or settle the claim.

If, after thirty days from notice of a claim, Contractor has not notified the City that Contractor will undertake to settle, compromise or litigate it, that shall be deemed an authorization to the City to pay such claim. Upon Contractor's receipt of proof of City's payment, the indemnity shall immediately be due and payable. The Parties shall cooperate with each other in resolving or attempting to resolve any claim.

8. Article III, Section D, Subsection 4 (Administrative Adjudication Service Fee) – The title of the subsection shall be changed from *Administrative Adjudication Service Fee* to *Other Service Fees* and the section shall be deleted and replaced in its entirety with the following text:

The fees for any other on-street parking management services shall be set forth in the Project Task Order for the specified services. If the Project Task Order calls for a cost-plus compensation structure, the City shall pay the Contractor for actual costs incurred by the Contractor in connection with providing the specified services and approved in advance by the City (i.e., the Base Service Costs) plus a Management Fee equal to a certain percent of the approved Base Service Costs as set forth in the Project Task Order. If the Project Task Order calls for an alternative compensation structure, the City shall pay the Contractor in accord with the terms of that compensation method. The Contractor shall provide the City with full documentation of any costs and fees as requested by the City. Upon receiving the specified services and documentation, the City shall pay the Contractor in accord with the terms set forth in the Project Task Order.

9. Article IV, Section G, Subsection 1 (Notices) – The contact information for the Contractor shall be deleted and replaced in its entirety with the following contact information: Duncan Solutions, Inc., 633 West Wisconsin Avenue, Suite 1600, Milwaukee, WI 53203, Attention: President/CEO.

10. Article IV, Section G, Subsection 12 (Force Majeure) – Eliminate the sentence of this section and replace it with the following sentence:

In such event, the Contractor shall give written notice to the City specifying the nature and anticipated duration of the Force Majeure Event and its recovery plan for restoring services, but, if the Parties fail to execute a mutually-agreeable

recovery plan within thirty (30) days of the Force Majeure Event, the Contract shall be terminated.

11. Exhibit B, Section A (Overview of Requirements) – The fourth bullet point in the first paragraph shall be changed from *Administrative Adjudication Services* to *Other Services*.

12. Exhibit B, Section E (Administrative Adjudication Services) – The title of the subsection shall be changed from *Administrative Adjudication Service Fee* to *Other Services* and the section shall be deleted and replaced in its entirety with the following text:

The Contractor, as authorized by the City under terms set forth in a Project Task Order, shall provide management, coordination or operational services as required by the City to enhance and support the City's meter management program and other on-street public parking programs. Parking meter management services may include parking meter removal, installation, collections and maintenance for the City's approved inventory of single-space or multi-space parking meters or other on-street parking equipment or systems approved by the City. Other on-street parking program support services may include planning, analysis, operational and tactical support for maximizing the use, accessibility, productivity and value of the City's metered and non-metered on-street parking spaces.

13. Exhibit B, Section F (Implementation) – This section shall be deleted and replaced in its entirety with the following text:

If the City desires any Optional Contract Service contemplated or anticipated in Exhibit B, including any on-street parking management services in the public interest, it may request the Contractor to submit an updated proposal offering such services. The proposal shall contain, at a minimum, a description of the proposed services, required resources for delivering such services, compensation for said services, including any underlying cost assumptions and alternative compensation methods, and other terms and conditions.

Upon determining the Optional Contract Service it requires, the City shall issue a Project Task Order to the Contractor. The Project Task Order shall, at a minimum, define the scope of services to be provided, the estimated resource requirements, including staffing levels, for providing said services, any other relevant specifications, the implementation strategy and the compensation terms for the specified services. Every Project Task Order shall be signed by authorized representatives of the City and Contractor. Under no circumstances, shall the Contractor provide any services that would create an actual or a perceived conflict of interest, such as the provision of both parking ticket issuance and processing/collection services where the Contractor's compensation is based in whole or part on the number of parking tickets it processes or the value of parking tickets it collects on behalf of the City.

Upon obtaining the City's approval and signature of the executed Project Task Order, the Contractor shall implement the required Optional Contract Service in accord with the specifications, terms and conditions of the Project Task Order. At the City's request, or if the Project Task Order entails a cost-plus compensation structure, the Contractor also shall submit to the City an Annual Budget for the Base Service Costs. Upon approving the Annual Budget for Base Service Costs, the City shall direct the Contractor to implement the Project Task Order. Except as otherwise agreed to by the parties, the Contractor shall implement the Optional Contract Service no later than ninety (90) days after it receives the approved and executed Project Task Order.

14. It is a condition precedent to the Contractor's proceeding with work under Phases 2 and 3 of Project Task Order No 1 that Contractor shall become legally qualified to transact business in the State of Missouri. Contractor shall deliver to the City a Certificate of Good Standing, dated subsequent to April 16, 2009, issued by the Secretary of State of Missouri confirming such qualification and stating the name and address of Contractor's registered agent and registered office.

15. All other terms of the Contract shall remain the same as set forth in the initial Contract

referenced herein and subsequent amendments thereto.

IN WITNESS WHEREOF, the parties hereto have executed this amendment to the contract the date and year first written above.

President and CEO, Duncan Solutions, Inc. and Director of Professional Account Management



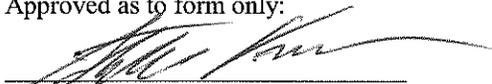
Michael J. Nickolaus

Parking Commission of the City of St. Louis

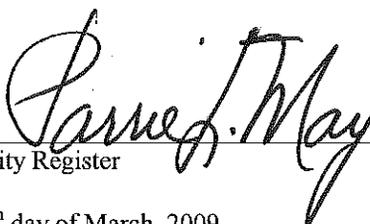


Larry C. Williams, Chairman

Approved as to form only:



City Counselor (or designee)



City Register

ATTEST: Authorized by the Parking Commission on the 26th day of March, 2009.

City of St. Louis Parking Commission
Project Task Order No. 1 for
Meter & Other On-Street Parking Management Services

A. Introduction

As allowed under Article II, Section B and Exhibit B of the Contract between the City of St. Louis and the St. Louis Parking Commission (the "City") and Professional Account Management, LLC, a subsidiary of Duncan Solutions Inc. and a Wisconsin limited liability company registered and authorized to do business in the State of Missouri and Duncan Solutions Inc., a corporation soon to be registered and authorized do business in the State of Missouri (collectively the "Contractor"), this First Project Task Order under the Contract is entered into this 6th day of April, 2009, by and between the City and Contractor.

As required by Exhibit B, Section F of the Contract, this Project Task Order defines the scope of services to be provided, the implementation strategy, the estimated resource requirements (including staffing levels) for providing said services, other relevant specifications and the compensation terms for the specified services. Every Project Task Order must be signed by authorized representatives of the City and Contractor.

The independently-elected City Treasurer is authorized under state law to supervise the City's Parking Division and all public parking programs. The Parking Division is responsible for administering several public parking programs, including metered and non-metered on-street parking programs (e.g., permit and valet programs). The meter program has the following operating characteristics:

- Over 9,500 electronic single-space parking meters in operation on City streets;
- Eight collection routes with separate keys and weekly collection frequencies;
- Three collection crews, each comprising one vehicle, one driver and two collectors;
- Four maintenance crews, each with one employee; and
- Three collection vehicles and four maintenance vehicles.

The metered parking programs generate significant revenues, but the meter rates, deployment patterns and collection routes require continual adjustment. While several employees are involved with the supervision and support of on-street parking program operations, the non-metered on-street parking programs have historically generated limited operating revenues. The Parking Commission believes that, with enhanced business practices, such programs offer significant potential benefits to the City.

The purpose of this task order is to transfer responsibility for the day-to-day supervision and staffing of the metered and non-metered on-street parking programs from the Parking Division to the Contractor and ensure the prompt adoption of best-in-class business practices. Ultimately, the Contractor is expected to significantly enhance the productivity of all on-street parking spaces and dramatically improve the net operating income of the Parking Division's on-street parking space management programs. At the same time, the Contractor shall ensure superb customer service, convenient public parking access,

effective traffic flow and commerce, rigorous revenue and security controls, effective regulatory enforcement and constant public communications.

B. Specified Services and Phases

1. Overview – The Contractor shall provide the City with the requisite facilities, equipment, systems, personnel and other resources to deliver parking meter management and other on-street parking program support services throughout the City as outlined herein. The Contractor will assume responsibility for managing these services in a deliberate manner in accord with three phases as described below.

2. Service Requirements by Phase – The Contractor shall meet the City’s objectives and deliver the specified services on behalf of the City in the following phases:

- Phase 1 (Transition) – plan and coordinate a phased transition process for assuming managerial and operational responsibility for the specified services from the Parking Division, including implementation planning, initial operational analysis, and the rigorous screening and evaluation of all applicants for relevant positions;
- Phase 2 (Management) – assume responsibility for managing and delivering the specified services from the Parking Division, including furnishing sufficient personnel to operate the associated programs and, where appropriate, assuming operational control of any City-owned assets or resources as requested by the City (e.g., facilities, vehicles and equipment); and
- Phase 3 (Concession) – assume responsibility for managing and delivering the specified services from the Parking Division, including furnishing all personnel and other assets and resources required by the City to deliver the specified services and operate the assigned programs on behalf of the Parking Division.

During Phase 1, the Contractor shall obtain a full understanding of the programs for which it is responsible, including all applicable laws, regulations and policies. It shall review the current revenues, rates and fees and recommend a rate classification system for each program. It shall review the operating environment and City-owned assets and resources for each program, and determine the optimum way to operate those programs and deploy relevant assets in Phase 2. The Contractor will interview, screen and evaluate all relevant Parking Division employees and determine those employees needed and qualified to help deliver the specified services in Phase 2. The Contractor will develop a transition plan, select and train staff, recommend business rule changes and recommend other enhanced operating, revenue control and security practices for Phase 2.

During Phase 2, the Contractor will be responsible for the day-to-day management and operation of the specified programs and ensure full compliance with all applicable ordinances, policies and procedures. It will employ and furnish sufficient personnel to satisfy its contractual obligations and provide superior on-site management and supervision for all personnel during all City-specified operating hours. The Contractor shall use and be assigned operational control (but not legal ownership) of any City-owned or -furnished office space, vehicles, equipment, technologies, uniforms and supplies needed to deliver the specified services and satisfy its contractual obligations. For

example, the Contractor will assume control of the meter inventory and, as needed, re-key meter vaults, revamp collection routes and upgrade lock and key sets. During Phase 2, the Contractor shall provide the City with a monthly performance report in a format, frequency and manner specified by the City. At a minimum, this report shall include a roster of all employees with their respective names, titles, duties, schedules and identifying data, and any other data required by the City.

During Phase 3, in addition to continuing its Phase 2 duties (e.g., managing the program and furnishing and supervising all personnel), the Contractor shall furnish and maintain all other resources deemed necessary by the City to deliver the specified services. During Phase 3, the Contractor shall provide the City with a monthly performance report in a format, frequency and manner specified by the City. At a minimum, this report shall include a roster of all employees and any other data required by the City.

3. Performance Targets by Phase – The Contractor shall provide the required services for each phase beginning with Phase 1 which will commence upon the execution of this Project Task Order. The subsequent phases—Phase 2 and Phase 3—will not commence until the immediately preceding phase has been successfully completed. This determination will be made solely by the City based on the City’s assessment of the Contractor’s performance, including but not necessarily limited to the Contractor’s satisfactory attainment of the City’s objectives and performance targets and the Contractor’s other contractual obligations.

The duration of each phase will vary, depending on the Contractor’s ability to attain the City’s performance targets to the City’s full satisfaction. The City anticipates that Phase 1 will require up to ninety (90) days and Phase 2 up to thirty (30) months; together the first two phases will be completed by December 31, 2011 (i.e., the end of the *Initial Term* in the contract). Since the City anticipates that Phase 3 will require at least five years, it will not approve the commencement of Phase 3 under this task order without also authorizing the *Extension Term* under the contract. The performance targets for each phase are set forth below.

Summary of Duration Cycles & Performance Targets by Phase

Phase	Duration	Submittal Requirements & Other Performance Targets
1	60 days – 90 days	<ul style="list-style-type: none"> ▪ Registration of Duncan Solutions Inc. to do business in Missouri ▪ On-Street Parking Management Report with feasible recommendations for attaining an aggregate 2.0 operating ratio for assigned programs & improving quality of each program, including improvements to laws, policies, rates, meter management practices, non-metered parking programs & associated operations ▪ Complete, accurate inventory of City’s meters & meter peripherals, including operating status, functionality & condition of all meters & meter peripherals ▪ Complete, accurate profile of City’s most promising non-metered on-street parking spaces, including opportunities for improving productivity of non-metered spaces via time limits, permits & other on-street parking programs ▪ Submittal of other required documents for Phase 2, including operating budget, rate structure, organization chart, staffing/training plan, meter inventory, on-street space profile, public information program (e.g., parking map, brochure, signage & website) & implementation program

Summary of Duration Cycles & Performance Targets by Phase (cont.)

Phase	Duration	Submittal Requirements & Other Performance Targets
2	6 months – 30 months	<ul style="list-style-type: none"> ▪ Superb customer service, convenient parking access, effective traffic flow, rigorous revenue/security controls & effective public communications as determined by the City in its sole judgment ▪ Exceed an aggregate 2.25 operating ratio for programs assigned to Contractor for at least 6 consecutive months ▪ Maintain parking meter uptime of at least 95% ▪ Maintain meter mean time between repairs of less than 4 hours ▪ Submittal of comprehensive operating plan for recommended on-street non-metered parking programs (e.g., permit, validation, special event & valet), including on-street parking program & signage improvements ▪ Submittal of comprehensive technology plan for upgrading on-street parking systems, including objective analysis of alternative multi-space meter products & communications systems ▪ Submittal of other required documents for Phase 3, including operating & capital budget, rate structure, organization chart, staffing plan, meter & non-metered space inventory, business rules, management reports, public information program (e.g., parking map, brochure, signage & website) & implementation program
3	5 years – 7 years	<ul style="list-style-type: none"> ▪ Superb customer service, convenient parking access, effective traffic flow, rigorous revenue/security controls & effective public communications as determined by the City in its sole judgment ▪ Exceed operating ratios of at least 2.30 for 1st year, 2.35 for 2nd year, 2.40 for 3rd year, 2.45 for 4th year & 2.50 for 5th year ▪ Maintain parking meter uptime of at least 98% ▪ Maintain meter average mean time between repair of less than 2 hours ▪ Continuous submittal of updated Phase 3 documents, including operating & capital budget, rate structure, organization chart, staffing plan, meter & non-metered space inventory, business rules, management reports & public information program (e.g., parking map, brochure, signage & website)

Note: Operating ratio = total net operating income ÷ total operating expenses for all programs assigned to Contractor, where operating income and expenses are directly generated or incurred by or in connection with Contractor-operated programs in accord with generally accepted accounting principles for governmental entities and the City Comptroller's cost accounting methodology, except that any costs allocated by the Parking Division to Contractor-operated programs for general administration (e.g., parking administration, fiscal control & vehicle maintenance) shall not exceed ten percent (10%) of direct program costs.

The Contractor will provide the City with an implementation program at the outset of each phase. Every implementation program shall include a transition strategy, work schedule (with responsibility assignments, deliverables and milestones) and performance metrics, and be submitted in a format and manner specified by the City.

4. Services by Program – The Contractor shall provide those services set forth herein plus any ancillary, supportive or complementary services deemed necessary by the City in its sole discretion to ensure the attainment of the City's objectives and performance targets for on-street metered and non-metered parking programs.

The Contractor shall deliver a full array of meter management services required by the City, including but not necessarily limited to parking meter removal, installation, collections and maintenance. These services will be provided for the Parking Division's entire inventory of parking meters, initially estimated to include at least 9,500 single-space meters. The City's minimal requirements for meter management services are outlined by phase in Appendix A.

The Contractor shall provide a full array of other on-street parking space (i.e., non-metered parking program) management services required by the City, including but not necessarily limited to planning, analysis and tactical support for maximizing the use, accessibility, productivity and value of the City's on-street parking spaces. The City's minimal requirements for non-metered on-street parking space management services are outlined by phase in Appendix B.

C. Resource Requirements

1. Overview – The resource requirements for performing this Contract will vary by phase. The Contractor's responsibility for furnishing resources will increase with each successive phase. These requirements are outlined below.

2. Personnel Resources – For every phase, the Contractor will provide a full-time, on-site Program Director to oversee the delivery of all services required by the City and manage all aspects of the Contractor's performance. The Program Director will, at a minimum, possess the following attributes:

- In-depth understanding of relevant best practices for designing, implementing and operating metered and other public on-street parking programs;
- Sufficient management and administrative skills, training and experience to manage the specified services and meet the Contract objectives;
- Strong change management capabilities, including the ability to expedite changes in program operating regulations, dynamics and resources;
- Demonstrated ability to effectively monitor and improve performance, ensure the cost-effective use of resources and preserve the value of all City-owned assets
- Superb interpersonal and communications skills, including the ability to work effectively with other public agencies and represent the City in public settings; and
- Working knowledge of the City's parking operating environment, including state and local laws, regulations and business rules, customer service demands throughout the City and the characteristics of City streets, districts and neighborhoods.

For Phase 1, unless otherwise approved by the City, Anderson Moore will serve as the on-site Program Director (i.e., Transition Director). For Phases 2 and 3, the Contractor will furnish an on-site Program Director approved by the City.

The Contractor also will furnish personnel for the following positions:

- Field Operations Manager – supervise meter collectors, meter technicians and other on-street parking program employees;
- Meter Collector – collect, safeguard and deliver cash from meters, audit meter collections and operability, report meter outages, missing/defaced meters and parking sign deficiencies and any evidence of vandalism, theft or other problems;
- Meter Technician – maintain operational meter and spare parts inventory, conduct preventative maintenance, meet required meter uptime levels, process work order requests and repair meters in field and shop in accord with City-required standards;

The Contractor shall provide a full array of other on-street parking space (i.e., non-metered parking program) management services required by the City, including but not necessarily limited to planning, analysis and tactical support for maximizing the use, accessibility, productivity and value of the City's on-street parking spaces. The City's minimal requirements for non-metered on-street parking space management services are outlined by phase in Appendix B.

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- In-depth understanding of relevant best practices for designing, implementing and operating metered and other public on-street parking programs;
- Sufficient management and administrative skills, training and experience to manage the specified services and meet the Contract objectives;
- Strong change management capabilities, including the ability to expedite changes in program operating regulations, dynamics and resources;
- Demonstrated ability to effectively monitor and improve performance, ensure the cost-effective use of resources and preserve the value of all City-owned assets

- On-Street Parking Coordinator – recommend, design, implement and supervise non-metered on-street parking space programs, including permit, special event, validation, and valet programs, perform customer/community outreach, monitor and evaluate program results and continually refine programs where needed;
- Dispatch Operator – coordinate meter collector, meter technician and parking enforcement officer field deployment, maintain two-way communications with field staff, assign meter work orders and log completed orders;
- Human Resource Supervisor – prepare and post job descriptions, distribute applications, coordinate and conduct applicant interviews, manage background check/screening services, extend job offers, record employee data, enroll employees in payroll/personnel systems and maintain evaluations and other personnel records;
- Administrative Support Specialist – provide all required administrative services, including payroll/personnel, contract management, procurement, budgeting, fiscal, accounting, marketing, customer service and management reporting;
- Program/Management Analyst – compile and analyze data, design, prepare and update management reports, scan, review and recommend industry best practices, analyze and recommend improvements for all relevant programs, assist with public relations and community outreach and process City information requests;
- Revenue Control/Security Specialist – assess, design and implement security and revenue control procedures for all meter and non-metered on-street parking programs, identify, and monitor and report suspected theft or vandalism; and
- Parking Management Consultant – review and make recommendations to City for improving all aspects of parking programs, such as ordinances, regulations, policies, operational practices, policies, revenues, costs, technology and equipment.

It is anticipated that the above positions will be required for each phase as follows.

Personnel Requirements by Position & Contract Phase

Personnel Resource (Position)	Phase 1	Phase 2	Phase 3
Program Director/Transition Director	☑	☑	☑
Field Operations Manager	☑	☑	☑
Meter Collector		☑	☑
Meter Technician		☑	☑
On-Street Parking Coordinator	☑	☑	☑
Dispatch Operator		☑	☑
Human Resource Supervisor	☑		
Administrative Support Specialist		☑	☑
Program/Management Analyst	☑	☑	☑
Revenue Control/Security Specialist	☑	☑	☑
Parking Management Consultant	☑	☑	

When required to furnish personnel to fulfill its contractual obligations, the Contractor will hire employees that meet or exceed the highest standards in the industry for comparable positions. Every manager and supervisor furnished by the Contractor must possess sufficient academic and occupational credentials to perform their assigned duties. No Program Director shall be engaged or removed without the City’s prior written approval. In addition, the City reserves the right to approve or require the removal of the Program Director at any time.

In recruiting, evaluating, selecting and furnishing any personnel for meeting its contractual obligations, the Contractor shall satisfy the following requirements:

- Hire employees who are at least 21 years of age, possess a valid driver's license, and have no delinquent parking violations nor more than two points on their driving record;
- Hire employees who have a verifiable work history with good professional references and a demonstrated commitment to acceptable work habits;
- Hire employees who are able to read, write and converse in the English language and possess a high school degree (or GED certificate);
- Refrain from hiring any persons who have been convicted in a court of competent jurisdiction of theft, illegal misappropriation of funds, violent crimes or any other crime that the City regards as a potential barrier to effective contract performance;
- Refrain from hiring any persons related by blood or marriage to any officer, partner, owner, or agent of the Parking Division, Contractor or its subcontractors, without the City's prior approval; and
- Comply with all applicable federal, state and local laws and regulations pertaining to the hiring and employment of personnel for public services and programs.

All Contractor employees must comply with all Contractor personnel policies, maintain poise and discipline in all work-related situations and conditions, exercise courtesy and sound judgment in all dealings with the general public and perform their duties in a professional manner. Maintaining clean driving and criminal records also are conditions of continued employment. During any phase, the Contractor must terminate or reassign any employee whose conduct is detrimental to the City's interests.

3. Other Resource Requirements – The Contractor also will furnish certain non-personnel resources for meeting its obligations under the Contract. These non-personnel resource requirements will vary by phase as set forth below.

For Phases 1 and 2, the City will provide all required non-personnel resources, including office and maintenance space, vehicles, parking meters and peripherals, communications devices and dispatch system. During Phase 2, however, the Contractor may determine that it would be more cost-effective for the City to improve or replace certain non-personnel resources furnished by the City and may recommend the improvement or replacement of City-owned assets or other City-furnished non-personnel resources. If the City agrees that such assets or resources should be improved or replaced, the City and Contractor shall negotiate and execute an amendment to this Project Task Order governing the terms and conditions of such improvement or replacement.

For Phase 3, the Contractor will furnish all required non-personnel resources, subject to the City's prior approval. The Contractor will determine the resources required for Phase 3 and submit an itemized budget to the City for approval before the end of Phase 2. Such resources shall include, but not necessarily be limited to, the following items:

- Sufficient office space at a City-approved site in the City for housing meter management and other on-street parking space management personnel;
- Meter collection and maintenance vehicles;
- Parking meters, keys, canisters, carts and other peripherals;
- A comprehensive communications system, including a base station and ample hand-held devices for all required personnel, ensuring clear and dependable two-way communications between field staff throughout the City and the office; and
- Other equipment, technologies and supplies required to support the City's other public on-street parking space management programs.

All such resources, including their location, deployment, quantities, functionality, markings, features and other specifications, shall be subject to the City's prior approval. In addition, the acquisition process for any on-street parking technology or equipment procured during Phase 3 shall be subject to the City's prior approval.

D. Other Relevant Specifications

In addition to the terms and conditions set forth in the Contract, this Project Task Order shall be subject to the following terms and conditions:

- The Contractor shall work with the City and designated parking improvement districts within the City to promote the tailoring of public parking programs and services to the particular customer service needs of those districts;
- The Contractor shall provide objective assistance to the City with the identification, evaluation and selection of parking systems, equipment and devices, providing independently-validated data on alternative vendors, products, costs and any other City-required factor for supporting its recommendations to the City;
- The Contractor shall not assign or transfer any interest in this Contract, or engage any subcontractors, without the prior written consent of the City;
- The Contractor shall notify the City of any contracts it executes with other public entities to provide services similar to those provided to the City within ninety (90) days of the date of execution of said contracts;
- The City reserves the right to audit the Contractor's systems, records and support facilities related to the services specified herein and the Contractor must fully cooperate in such audits; and
- For work to be performed under this Project Task Order, the Contractor shall provide and maintain a performance bond approved by the City in an amount of at least one million dollars (\$1,000,000).

The parties may add other terms and conditions through subsequent project task orders or, if said terms and conditions would vary from those set forth in the Contract, through subsequent amendments to the Contract.

E. Compensation Terms

1. Overview – The City shall compensate the Contractor for providing the required services set forth herein, plus any ancillary, supportive or complementary services

deemed necessary by the City, to the City's full satisfaction. The compensation for any ancillary, supportive or complementary services requested by the City shall be subject to negotiation and mutual agreement between the parties. The compensation structure will vary by phase as described below.

2. Phase 1 – For Phase 1, the City will pay the Contractor for services provided by the Contractor on a *time and materials* basis. Under this arrangement, the City will pay the Contractor professional fees for actual time incurred by the Contractor in accord with the hourly rate schedule set forth herein and reimburse the Contractor for any actual out-of-pocket expenses incurred by the Contractor in connection with this Contract. The approved professional rate schedule for Phase 1 is as follows:

Phase 1 – Maximum Hourly Rates by Position

Position	Rate
Program Director/Transition Director	\$115
Field Operations Manager	\$65
On-Street Parking Coordinator	\$45
Human Resource Supervisor	\$40
Administrative Support Specialist	\$35
Program/Management Analyst	\$30
Revenue Control/Security Specialist	\$30
Parking Management Consultant	\$90

Unless the parties agree otherwise in writing, the maximum professional fees and expenses payable for Phase 1 are two hundred thousand dollars (\$200,000.00). The City will not compensate the Contractor for any fees or expenses unless the Contractor can document to the City's satisfaction that they were actually incurred in connection with the required Phase 1 services.

3. Phase 2 – For Phase 2, the City will pay the Contractor for services provided by the Contractor on a *cost plus* basis. Under this arrangement, the City will pay Contractor a monthly service fee for performing the required services for the most recently completed month. The monthly service fee will include three components:

- Cost reimbursement for actual direct operating costs incurred by the Contractor in compliance with generally accepted accounting principles for governmental entities and an annual budget approved in advance by the City;
- Management fee equal to seven percent (7.0%) of the actual operating costs approved by the City (i.e., the base service costs); and
- Performance incentive for increasing the Parking Division's net operating income for on-street parking meter programs.

The monthly performance incentive will be equal to ten percent (10%) of any actual and verifiable incremental increase in the Parking Division's net operating income for the Contractor's assigned programs for the most recently completed month, where the City shall determine net operating income in accordance with generally accepted accounting principles, subject to audit, up to a maximum amount of nine thousand dollars (\$9,000) for each month. In addition, at the end of Phase 2, the City may pay the Contractor a

one-time performance incentive for the satisfactory completion of Phase 2 performance targets as set forth herein. The one-time Phase 2 performance incentive shall be equal to five percent (5%) of any actual and verifiable incremental increase in the Parking Division's net operating income for the Contractor's assigned programs for the full Phase 2 term or the most recently completed consecutive twelve months of Phase 2, whichever is less, where the City shall determine net operating income in accordance with generally accepted accounting principles for governmental entities, subject to audit. The one-time Phase 2 performance incentive shall not exceed ninety thousand dollars (\$90,000). If the City increases rates, the Parties will adopt adjustment factors for reducing operating income for that portion of the increase due to increased rates, using a factor of seventy-five percent (75%) of the rate increase until such time the Parties agree otherwise.

As a condition precedent to the commencement of Phase 2 the parties shall agree in writing on the maximum monthly compensation payable for Phase 2. The City will not compensate the Contractor for any costs unless the Contractor can document to the City's satisfaction that they were actually incurred in connection with required Phase 2 services and in full compliance with the approved operating budget for Phase 2.

4. Phase 3 – For Phase 3, the City will pay the Contractor for services provided by the Contractor on a *net operating income sharing* basis. Under this arrangement, the City will pay the Contractor a monthly concession fee for the required services comprising two components—1) a fixed unit cost for every metered and non-metered on-street parking space managed by the Contractor producing net operating income and 2) an incentive payment equal to a certain percent of net operating income. The monthly concession fee for Phase 3 will be determined by the Parties based on the results of Phase 2 and incorporated in the budget submitted by the Contractor and approved by the City before the commencement of Phase 3. The Parties must agree on a monthly concession fee for Phase 3 as a condition precedent to the commencement of Phase 3.

In order to be eligible for compensation, the Contractor must submit to the City detailed invoices for payment, in full accord with the format, timing and manner of invoices specified by the City. The City shall compensate the Contractor no more than the unit costs and maximum amounts specified in this Project Task Order. All compensation paid by the City pursuant to this Project Task Order shall be subject to the availability of funds and the City's budgetary approval and encumbrance of said funds.

IN WITNESS WHEREOF, the parties hereto have executed this Project Task Order carrying out the objectives of the contract referenced herein.

President and CEO, Duncan Solutions, Inc.

Parking Commission of the City of St. Louis



Michael J. Nickolaus



Larry C. Williams, Chairman

ATTEST: Authorized by the Parking Commission on the 26th day of March, 2009.

Appendix A

Meter Management Service Requirements by Phase

Phase	Summary of Service Requirements
Phase 1	<ul style="list-style-type: none"> ▪ Interview & assess all existing employees in meter management units ▪ Inventory & assess operating status, functionality & condition of all meters, meter vaults, key controls, lock & key sets & all other meter peripherals ▪ Design & recommend responsive & preventative meter maintenance program ▪ Attend meetings & perform other duties as required by City
Phase 2	<ul style="list-style-type: none"> ▪ Furnish, hire, train, evaluate, discipline, supervise & control all meter management personnel ▪ Ensure that all appropriate on-duty employees wear City-approved uniforms ▪ Install, replace, remove & redeploy meters & restructure routes as required by City ▪ Implement meter rate & time conversions in accord with City directives ▪ Implement & maintain comprehensive, rigorous security/revenue control program (e.g., surveillance, salting, key controls & audits) & conduct other required security measures ▪ Fully equip all collections teams (e.g., furnish secure, cart-mounted cash collection boxes) ▪ Collect, audit, safeguard, record, transport, deposit (with City security provider), account for & report all meter revenues per City specifications (e.g., method, frequency, routes & account) & during collections, audit all meters, empty every canister & immediately report all broken, missing, defaced meters & all other meter faults & outages to dispatch unit ▪ Maintain accurate inventory of existing meters, meter vaults, collection routes, key controls, lock & key sets & other meter peripherals & other assets ▪ Implement & maintain responsive & preventative maintenance program for all meters ▪ Continually monitor operating status of all meters, conduct regular preventative maintenance, respond promptly to reported faults & outages, diagnose & resolve meter issues in field, promptly repair inoperative meters & keep meters fully operational (as defined by City) ▪ Use & recommend upgrades to City-provided office space, vehicles, meters, meter peripherals, uniforms, maps & other required resources for supporting meter operations ▪ Ensure City access to meter management system, track, maintain & report all City-required meter data, prepare & issue City-required management reports & monitor program performance ▪ Attend meetings & perform other City-required duties
Phase 3	<ul style="list-style-type: none"> ▪ Furnish, hire, train, evaluate, discipline, supervise & control all meter management personnel ▪ Furnish all field personnel with City-approved uniforms, identification means & other supplies ▪ Furnish, install, replace, remove & relocate parking meters, make meter rate/time conversions & maintain working inventory of components to support meter repairs as required by City ▪ Implement & maintain comprehensive, rigorous security/revenue control program (e.g., surveillance, salting, key controls & audits) & conduct other required security measures ▪ Fully equip all collections teams (e.g., furnish secure, cart-mounted cash collection boxes) ▪ Collect, audit, safeguard, record, transport, deposit (with City security provider), account for & report all meter revenues per City specifications (e.g., method, frequency, routes & account) & during collections, audit all meters, empty every canister & immediately report all broken, missing, defaced meters & all other meter faults & outages to dispatch unit ▪ Maintain accurate inventory of existing meters, meter vaults, collection routes, key controls, lock & key sets & other meter peripherals & other assets ▪ Implement & maintain responsive & preventative maintenance program for all meters ▪ Continually monitor operating status of all meters, conduct regular preventative maintenance, respond promptly to reported faults & outages, diagnose & resolve meter issues in field, promptly repair inoperative meters & keep meters fully operational (as defined by City) ▪ Furnish all office space, meter collection & maintenance vehicles, uniforms, keys, canisters, carts, maps & other resources required by City for supporting operations ▪ Ensure City access to meter management, track, maintain & report all City-required meter data, prepare & issue City-required management reports & monitor program performance ▪ Attend meetings & perform other City-required duties

Appendix B

Other On-Street Parking Management Service Requirements by Phase

Phase	Summary of Service Requirements
Phase 1	<ul style="list-style-type: none"> ▪ Interview & assess all existing employees in relevant organizational units ▪ Review & recommend improvements to staffing plans (e.g., organization chart, positions, qualifications, compensation, staff deployment, staff schedules & training) ▪ Analyze & recommend improvements to laws, regulations, policies & procedures ▪ Analyze other aspects of operating environment (e.g., demand, occupancy & customer patterns) ▪ Analyze & recommend improvements to meter rates, classification system & operating hours by district, zone & block, meter deployment & other meter management practices (e.g., collection routes, maps & schedules, revenue/security controls) ▪ Analyze & recommend improvements to on-street parking signage, booting & non-metered parking programs (e.g., residential/commercial permit, special event, validation & valet programs) ▪ Inventory, assess & recommend improvements to all other City resources required for on-street parking programs (e.g., office space, vehicles, uniforms & other operational resources) ▪ Recommend feasible opportunities for integrating technology & communications innovations & other best practices to enhance cost-effectiveness of all on-street parking programs ▪ Review & recommend improvements to on-street parking management reports, public information program & customer communications practices
Phase 2	<ul style="list-style-type: none"> ▪ Furnish ample personnel & technology support for non-metered on-street parking programs, dispatch operations & other City-required program support functions ▪ Train all staff using structured training program, including classroom, field, on-line & webinar training components with testing & certification ▪ Design, implement & supervise full array of non-metered on-street parking programs (e.g., residential/commercial permit, special event, validation & valet programs) ▪ Supervise booting program to extent required & authorized by City ▪ Continually analyze all aspects of parking operating environment as required by City, recommend improvements to laws, regulations, policies & procedures & on-street parking signage ▪ Continually update & enhance staffing plans (e.g., organization chart, positions, qualifications, compensation, staff deployment, staff schedules & training) ▪ Design & help implement improvements to meter rates, classification system & operating hours by district, zone & block, meter deployment & other meter management practices (e.g., collection routes, maps & schedules, revenue/security controls) ▪ Analyze, recommend, design & help implement improvements to dispatch & communications system & program for on-street parking management programs & enforcement programs ▪ Operate central dispatch function to expedite communications & responses among field technicians, supervisors & office, coordinate field activities & deploy resources ▪ Collect all non-meter revenues from on-street parking programs & secure, record, document, deposit, account for & report all revenues in compliance with City requirements ▪ Continually develop, maintain & analyze meter audit results & other program data ▪ Analyze revenue trends using & reconcile with coin count totals ▪ Perform comprehensive parking studies as directed by City (e.g., turnover, occupancy, technology, infrastructure, organizational & revenue analyses) ▪ Design, prepare, analyze & submit comprehensive City-required management reports (e.g., daily, weekly, monthly & annual meter inventory maintenance, operating, revenue, performance & dashboard reports on-street parking management reports) ▪ Design & help implement new public information program & customer communications practices ▪ Subject to City approval, prepare standard operating policies & procedures, distribute to all relevant personnel & keep all employees apprised of any changes ▪ Provide maintenance & custodial service for assets & resources under Contractor's control ▪ Attend meetings & perform other duties as required by City

Appendix B (cont.)
Other On-Street Parking Management Service Requirements by Phase

Phase	Summary of Service Requirements
Phase 3	<ul style="list-style-type: none"> ▪ Furnish ample personnel & other required resources for non-metered parking programs, dispatch operations & other City-required program support functions ▪ Train all staff using structured training program, including classroom, field, on-line & webinar training components with testing & certification ▪ Supervise full array of public on-street non-metered parking programs, including residential, commercial, special event, validation & valet parking permit programs ▪ Supervise booting program to extent required & authorized by City ▪ Continually redesign, update and improve routes, route maps & route schedules ▪ Operate central dispatch function to expedite communications & responses among field technicians, supervisors & office, coordinate field activities & deploy resources ▪ Implement & maintain comprehensive security & revenue control program (e.g., surveillance, salting, key controls & audits) conduct & other required security measures ▪ Collect all revenues from non-metered on-street parking programs & secure, record, document, deposit, account for & report all revenues per City requirements ▪ Continually develop, maintain & analyze meter audit results & other program data ▪ Analyze revenue trends using meter audit results & reconcile with coin count totals ▪ Perform comprehensive parking studies as directed by City (e.g., turnover, occupancy, technology, infrastructure, organizational & revenue analyses) ▪ Prepare, analyze & submit comprehensive management reports as required by City ▪ Subject to City approval, prepare standard operating policies & procedures, distribute to all relevant personnel & keep all employees apprised of any changes ▪ Provide maintenance & custodial service for Contractor-furnished assets ▪ Attend meetings & perform other duties as required by City

**CONTRACT BETWEEN THE CITY OF ST. LOUIS
AND CITATION MANAGEMENT, INC.**

**To Provide Automated Ticket Issuance Devices
and Provide Other Services**

This contract, made and entered into this _____ day of October, 2004, by and between the City of St. Louis, a municipal corporation of the State of Missouri and the Parking Commission of the City of St. Louis, hereinafter collectively referred to as the *City*, and Citation Management, Inc., a division of Professional Account Management, and a corporation registered and authorized to do business in the State of Missouri, referred to as the *Contractor*. Hereinafter, the City and Contractor shall be collectively referred to as the *Parties*.

Witnesseth

WHEREAS, the City is responsible for the enforcement of parking regulations on public ways and the issuance of parking violations to motorists who violate said parking violations, and the provision of other parking programs and services.

WHEREAS, the City desires to engage the Contractor to provide comprehensive automated ticket issuance devices and other services in conjunction with these devices, hereinafter referred to as the *Core Contract Services*, and the City may engage the Contractor to provide certain other services that support or are otherwise related to the Core Services, hereinafter referred to as the *Optional Contract Services*.

WHEREAS, the Contractor acknowledges the City's objectives for this contract, including rapid and accurate violation issuance, timely transaction processing, rigorous data control and comprehensive management reporting, and in order to achieve those objectives, desires to perform the services listed above in accordance with the terms and conditions as set forth herein.

WHEREAS, the City shall designate an officer or agent to serve as the City's primary representative in connection with this Contract and as the City's coordinator and representative for all projects related to this Contract and, as such, shall be understood to represent the City whenever the City is mentioned herein, except as otherwise indicated.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements hereinafter contained, and of the payment of monies hereinafter set forth, the parties hereto mutually agree to as follows:

Article I. Contract Scope and Duration

A. Contract Objectives

The City has engaged the Contractor to help it improve parking enforcement activities while at the same time enhancing violation data control and interfacing with the City's processing agent. The City's objectives for this contract include the following:

- Reliable parking ticket issuance – Accurate issuance of durable, easy-to-read parking tickets, rigorous data control and accurate recording of parking violation data;
- Efficient parking ticket issuance – Rapid issuance of parking tickets and seamless interface of violation transaction data with the parking ticket management system; and
- Thorough public accountability – Comprehensive and easy-to-use reports support the monitoring of parking enforcement officer productivity and maximize public confidence in the City and the Contractor's service.

The City's objectives shall be met and monitored in accordance with the terms and conditions of this contract. Ultimately, the City desires to build and maintain a first class public parking program. Improving the parking violation program is merely one step toward achieving that goal. To achieve a first class public parking program, the City may request the Contractor to provide certain Optional Contract Services as described herein.

B. Contract Scope

The Contractor shall provide, complete and deliver all Core Contract Services, including the provision and maintenance of automated ticket issuance devices (TIDs), in accordance with the terms and conditions of this Contract. The Core Contract Services, and all related goods, services, tasks, deliverables and work, are set forth in Exhibit A, which is incorporated herein by reference.

In addition to the Core Contract Services summarized above, the Contractor, subject to the City's prior approval, shall provide, complete and deliver certain Optional Contract Services. The City shall determine the Optional Contract Services it needs to enhance the parking violation program. At the City's written request (via a Project Task Order and Contract Amendment as required), and in accord with the terms herein, the Contractor shall provide such Optional Contract Services. The Optional Contract Services, and all related all goods, services, tasks, deliverables and work, are set forth in Exhibit B, which is incorporated herein by reference.

C. Contract Duration

The term of this contract shall commence at 12:01 A.M., C.S.T. on the date of contract execution and terminate at 12:00 P.M., C.S.T., on December 31, 2009, unless terminated for other reasons as specified herein. The term of the contract shall comprise two phases: the Initial Contract Phase (i.e., extending from the date of contract execution through December 31, 2009) and the Contract Extension Phase. The City, at its sole discretion, and subject to annual appropriation, may extend the contract for two (2) years—the Contract Extension Phase—by giving written notice to the Contractor at least ninety (90)

days prior to the end of the term. The City's failure to give the Contractor said 90-day notice shall effectively terminate this contract unless both parties agree to the two-year extension in writing. The duration of the contract may otherwise be modified by a properly-executed written amendment between the parties.

D. Contract Termination

The City reserves the right to terminate the contract at any time for the Contractor's material default. Material default is defined as the Contractor's failure to achieve the contract objectives, provide any services in accordance with the City's requirements or otherwise satisfy its obligations under the contract as set forth herein. In the event of the Contractor's default, the City may find the Contractor in breach of this contract and take corrective action as it deems necessary, including, but not limited to, contract termination or the withholding or reduction of payment.

In the event of the Contractor's material default, the City shall provide written notice to the Contractor of said default. Such written notice shall describe the default and provide a default review period of thirty (30) business days during which the Contractor shall have an opportunity to explain the default or take any reasonable remedial action required by the City. If, in the opinion of the City, the Contractor remains in default at the completion of thirty (30) business days following the default review period (or such other time mutually agreed to by the parties), the City shall have the right to terminate this contract, whereupon all obligations of the City to the Contractor shall cease.

It is agreed that the City's failure to insist upon the strict performance of any provision of this contract, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such breach, shall not constitute a waiver of any rights under this contract. Nothing contained herein shall prevent the City from pursuing any other remedy that it may have against Contractor including claims for damages.

The City may terminate the contract without cause upon giving the Contractor at least ninety (90) days written notice, however, the Contractor shall be entitled to just and equitable compensation for any satisfactory work completed to the termination date. The City or Contractor also may terminate the contract in its entirety without cause upon giving the other party at least six months written notice. Under no circumstances will the City pay any damages as a result of the Contractor's termination of this Contract. Nothing herein shall be construed as giving the Contractor the right to perform work after the City decides to terminate the contract.

Upon contract termination, the Contractor shall deliver to the City all work products, whether finished or unfinished, and supporting documentation prepared by the Contractor under this contract, provide the City immediate access to all electronic data files and other records that need to be transferred to the City, and grant immediate control of all parking violation data to the City. The City shall retain all rights to all parking violation data compiled and processed by the Contractor.

E. Contract Modifications

The City and Contractor may modify the contract to expand its scope of services. However, this Contract shall not be modified except as mutually agreed and approved in writing by both parties. No oral change orders are permitted. The Contractor shall be liable for all costs resulting from any specification change not properly ordered by written modification to the Contract and certified by the City.

The City may request a contract modification by issuing a written change order to the Contractor. Within ten (10) business days after receiving the written change order from the City (or as mutually agreed by the parties), the Contractor shall submit to the City an itemized cost proposal for the work to be performed. The Contractor's proposal may be accepted by the City or modified by negotiations between the Contractor and the City. At that time, the parties may execute a formal contract amendment in writing.

In the event that changes in laws, regulations, parking demand or operating conditions result in a detrimental and material effect on parking violation revenues, enforcement activities or operating costs, then the City or Contractor may request a contract modification. The parties shall meet within twenty (20) business days after notice of such change to the other party to renegotiate the contract, discuss equitable adjustments for the changed conditions and attempt to execute a formal contract amendment. Disagreements that cannot be resolved through such negotiations shall be resolved in accordance with the dispute provisions set forth herein.

F. Contract Disputes

The City shall decide any dispute concerning a question of fact arising under this contract. The City's written decision shall be final unless, within thirty (30) calendar days from the receipt of such decision, the Contractor makes a written appeal to the City. In connection with any appeal concerning a question of fact, the Contractor shall have an opportunity to be heard by the Parking Commission and offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the Contract in accordance with the City's decision.

This clause does not preclude consideration of questions of law in connection with decisions provided for herein, provided that nothing in this contract shall be construed to limit the City's or Contractor's right to pursue any remedies available at law or in equity. Every action taken by each party pursuant to this contract shall be taken in good faith and in accordance with reasonable commercial practice and, in all cases, in furtherance of the expressed provisions of this contract.

G. Contract Administration

The Treasurer, the City's chief parking officer, is responsible for ensuring that the services delivered under this contract meet the City's objectives. The Treasurer or his designee shall serve as the City's primary representative in connection with this contract and all projects related to this contract. As the City's contract representative, the Treasurer or his designee shall be understood to represent the City whenever the City is mentioned

herein, except as otherwise indicated herein. If the City designates another representative for this contract, the Treasurer or his designee shall notify the Contractor in writing and, as of the date of said notification, the new designee, shall be understood to represent the City whenever the City is mentioned herein, except as otherwise indicated herein.

H. Contract Monitoring and Accountability

The City shall monitor contract performance through a variety of means, such as oversight by the Parking Division's project manager, audits or reviews by the Parking Division's Finance Director, internal or external audits and external reviews by consulting firms. The City shall monitor all aspects of the Contractor's performance. The City reserves the right to audit the Contractor's performance upon written notice. The Contractor shall cooperate fully in every way requested by the City in such audits. The Contractor also shall provide the requisite reports to facilitate the City's monitoring activities, and provide additional status reports to the City upon request. Except as otherwise required to satisfy the City's objectives, the Contractor shall not be required to disclose its internal and proprietary cost and pricing data.

Article II. Contractor Assurances and Obligations

A. Core Services

The Contractor shall provide the Core Contract Services authorized by the City in conformance with the requirements set forth in Exhibit A, which is incorporated herein by reference. The Contractor shall be authorized to provide Core Contract Services upon the execution of this contract. The Contractor shall implement the Core Contract Services in accordance with the implementation requirements set forth in Exhibit A.

B. Optional Services

At the City's written request, the Contractor shall deliver the Optional Contract Services authorized by the City in conformance with the requirements set forth in Exhibit B, which is incorporated herein by reference. The Contractor shall not provide any Optional Contract Services until notified by the City to do so in writing. Upon receiving proper authorization, the Contractor shall implement the Optional Contract Services in accordance with the implementation requirements set forth set forth in Exhibit B.

C. Patents and Trademarks

The Contractor covenants that it is the sole owner of, or fully authorized to use, all system components, products, services, processes or names to be used in connection with this contract. The Contractor agrees to hold harmless and indemnify the City, and its officers, employees, agents and representatives, from any loss, liability, cost or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright arising out of the Contractor's actions in connection with this contract.

The Contractor shall have the right to obtain a license to use any patents, trademarks or copyrights required hereunder and to modify the work performed in order to avoid the infringement of any patent, copyright or trademark. However, should this be necessary, the Contractor shall notify the City immediately of said need and request the City's written approval and any required contract modification.

D. Product and Workmanship Standards

The Contractor and its approved subcontractors shall furnish all products and services as described herein consistent with the generally accepted industry, professional and technical standards. The Contractor shall be responsible for the quality, technical accuracy, timely completion and effective coordination of all designs, plans, services, specifications, reports, manuals and other items furnished by the Contractor and its subcontractors, employees or agents under this contract. The Contractor shall perform all work under this contract in conformance with the current specifications of the following standards, as applicable:

- Uniform Building and National Electrical Codes;
- Applicable Electronic Industries Association (EIA) Standards for electronic components, assemblies, interfaces and interconnections;

- National Electrical Manufacturers (NEMA) Standards Publication ICS - Industrial Controls and Systems;
- Applicable Instrument Society of America (ISA) standards for instruments, transmitters, and other instrumentation, equipment and documentation;
- Occupational Safety and Health Act (OSHA);
- All applicable provisions of the Building Code, City of St. Louis; and
- All applicable laws of the United States, State of Missouri, and City of St. Louis.

In the event of redundancy or conflict, the most stringent performance standard or practice, as determined by the City, shall apply. In the event that the Contractor has secured compliance certifications from an independent and reputable organization acceptable to the City (e.g., the Underwriters' Laboratory) for specific components before they are installed, the City will deem such certifications as the applicable standard.

The Contractor shall be familiar, and strictly comply, with all applicable laws, ordinances, regulations and orders of any properly-constituted authority affecting this contract. Authorized representatives of the City may at any reasonable time, and upon written notice, review any part of the work to ascertain whether such laws, ordinances, rules or orders are being followed. The Contractor shall procure all permits and licenses, pay all charges and fees, including fees for street permits, and give notices when necessary.

The City may reject any materials or work which, in its sole and reasonable opinion, do not conform to the specifications described herein. The Contractor shall remove all rejected materials from the site and its vicinity without delay if so directed by the City. If the Contractor fails to comply in the manner and timeframe directed by the City, the City may remove the rejected materials and charge the cost of removal against the Contractor.

G. Performance Bond and Warranties

If the City engages the Contractor to provide the Optional Services described in Exhibit B, Section C, the Contractor shall deliver to the City and maintain in effect until its cancellation is approved by the City, a valid, annually renewable corporate performance bond in the amount of at least \$2 million from an A or better Best-rated company licensed to do business in Missouri and approved by the City concurrent with the execution of this contract. The bond shall be conditioned upon the Contractor fully and faithfully performing all terms of this contract.

The performance bond shall be cancellable thirty (30) calendar days after the satisfactory completion of the warranty period, as approved by the City. Said bond shall provide that it will not be cancelled or altered without first giving prior written notice thereof to the City pursuant to the notice provisions of this contract. The City shall reimburse the Contractor for performance bond costs as set forth in Article III of this contract. Any increase in bonding required to cover negotiated changes in contract scope as required herein will be provided by the Contractor, with the incremental cost of such increased bonding to be borne by the City.

The Contractor shall expressly warrant all TIDs and TID components against defects in materials and workmanship for a period of one year from the date of final acceptance by

the City of the TIDs and all TID components. Final acceptance shall be deemed the date on which the City takes physical possession of the TIDs, where said physical possession occurs no later than thirty (30) calendar days after the Contractor's delivery of said TIDs. The TIDs are warranted to operate in the environment in which they are intended to be used in conformance with the requirements set forth herein.

If, during the warranty period, the TIDs fail to operate in accord with the requirements set forth herein, the City and Contractor shall comply with warranty program procedures set forth in Exhibit A, Section B.2. After the warranty period ends, the City and Contractor shall comply with the full-service TID technical support and maintenance program procedures set forth in Exhibit A, Section C.

The Contractor also warrants that, upon the City's final acceptance of TIDs and TID components and full payment to the Contractor under the terms of the payment schedule herein, title to the accepted components shall pass to the City free and clear of all liens, mortgages, encumbrances, financing and security agreements and any other claims.

H. Insurance

1. General

The Contractor shall provide worker compensation, commercial general liability insurance, and business automobile bodily injury and property damage insurance for business use. Unless otherwise specified, the amount of insurance to be provided for all coverage listed under this section shall be not less than One Million Dollars (\$1,000,000) per occurrence for claims arising from bodily injury and/or property damage, including any accidental death which may arise directly from Contractor's performance of work under this contract. Each policy is to be written on an occurrence basis or as acceptable to the City. The Contractor shall be responsible for any liability arising out of work performed under this contract as a result of any Contractor negligence or professional misconduct associated with Contractor's performance of work.

2. Worker Compensation

Subject to the City's prior approval, the Contractor shall place and maintain with responsible insurance carriers during the life of this contract Worker Compensation and Employer Liability Insurance required under applicable state and federal laws covering all of the Contractor's employees to be engaged in the work under this contract. The Worker Compensation insurance shall provide coverage of at least One Million Dollars (\$1,000,000), except as otherwise required by statute, and the Employers Liability Insurance shall provide limits at least in the amount of \$500,000 per accident, \$500,000 per employee, and \$500,000 per disease policy limit.

3. Commercial General Liability Insurance

The Contractor shall procure and maintain Commercial General Liability Insurance for bodily injury, including any bodily injury, accidental death, property damage and professional/contractual liability assumed under the provisions of this contract during the

life of this contract. The commercial general liability insurance shall include broad form property damage and independent contractor's liability insurance. It shall have a combined single limit of One Million Dollars (\$1,000,000) for each occurrence, subject to a Two Million Dollars (\$2,000,000) aggregate limit for completed operations and personal injury other than bodily injury. The City shall be named as an additional insured under the Commercial General Liability policy.

4. Business Automotive Liability Insurance

The Contractor shall procure and maintain Business Automobile Liability Insurance during the life of this Contract. Such coverage shall be written on a comprehensive form covering owned, non-owned and leased vehicles used by Contractor for this project. The automobile bodily injury and property insurance for business use shall have limits of not less than Five Hundred Thousand Dollars (\$500,000) liability per person, One Million Dollars (\$1,000,000) per accident, and One Hundred Thousand Dollars (\$100,000) for each incident of property damage. Said insurance shall protect the Contractor from any and all claims arising from the use of vehicles, equipment and facilities in connection with this contract, including the Contractor's own property.

5. Other Insurance Issues

Upon the execution of this contract, the Contractor shall furnish the standard Certificates of Insurance attested by the insurance carrier or appointed agent, indicating the type, amount, policy number, effective date and expiration date of all policies required under this contract. Each such policy certificate shall contain a valid provision or endorsement stating that this policy will not be cancelled or materially changed without first providing the City with at least thirty (30) days prior written notice of any cancellation, non-renewal or material changes (including coverage amounts) in any policy. The certificate must clearly indicate if the policy includes errors and omissions coverage or is issued on a claims-made or occurrence basis. The Contractor shall not commence work until the City has approved the Certificates of Insurance covering in writing.

All insurance must remain in place for the duration of the original contract plus any extension periods. The City reserves the right to review Contractor's insurance policies at any time to verify that City requirements have been met. Nothing shall preclude the City from requiring the Contractor to purchase and provide evidence of additional insurance.

I. Indemnification

To the fullest extent permitted by law, the Contractor shall release, defend, indemnify and hold harmless the City, its agents, officials and employees, from any and all liability, losses, damages, claims, actions or proceedings, including worker's compensation claims, in any way resulting from, or arising out of, the negligent performance of its activities in connection herewith, or its use or occupancy of any portion of the City's facilities, except to the extent such losses or damages are caused by the negligence of the City or its agents, officials and employees.

The provisions of this section shall include claims for equitable relief or for damages, losses, injuries, fines, penalties and expenses. Expenses as used herein shall include without limitation the costs incurred by the City, its agents, officials and employees, in connection with investigating any claim or defending any action, and shall also include reasonable attorney's fees by reason of the assertion of any such claim against the City, its agents, officials or employees. The Contractor expressly understands and agrees that any insurance protection required by this Contract, or otherwise provided by the Contractor, shall in no way limit the Contractor's responsibility to release, indemnify, keep and save harmless and defend the City as herein provided. Neither party shall be liable to the other for any consequential, indirect, special or punitive damages.

Article III. Compensation and Other Fiscal Issues

A. Overview of Compensation Structure

The City shall compensate the Contractor for the services summarized herein using a three-tier compensation structure. The three compensation tiers are as follows:

- Initial Core Contract Service Fee – A flat, lump sum fee for the successful implementation of TIDs and other capital items implemented by the Contractor in accord with the requirements set forth in Exhibit A;
- Ongoing Core Contract Service Fee – An annual, variable fee for TID maintenance and support services provided by the Contractor in accord with the requirements set forth in Exhibit A; and
- Optional Contract Service Fees – A preliminary schedule of fees for Optional Services that may be ordered by the City.

These compensation elements are explained in more detail herein.

B. Initial Core Contract Service Fee

Upon final acceptance of the TIDs specified in Exhibit A, the City shall compensate the Contractor for the provision of TIDs by paying the Contractor a TID Acquisition Fee of not to exceed \$135,900 as shown in the table below.

TID Acquisition Fee

Equipment	Units	Per Unit	Total
AutoCite Series 3 Handheld TID	35	\$3,200	\$112,000
AutoCite Master Charger/Multiplexer	1	\$700	700
AutoCite Slave Charger/Multiplexer	8	\$500	4,000
AutoIssue Host PC & Local Printer	1	\$2,200	2,200
Project Management/Training	1	\$10,000	10,000
AutoIssue Software	1	\$7,000	7,000
TID Acquisition Fee			\$135,900

The TID Acquisition Fee is based on the indicated quantity of units. If the City acquires less or more than the number of units indicated in the above table, the TID Acquisition Fee will be adjusted on a proportional basis. For instance, if the City only acquires 30 TIDs, the TID Acquisition Fee would be reduced by \$16,000.

The TID Acquisition Fee shall fully compensate the Contractor for all costs related to providing the City with all TID components and services required to make the TIDs fully operational for the first year of service, including all peripherals, cradles, communications, configuration and integration with the parking ticket management system. The City shall pay the Contractor for no other costs associated with the acquisition and implementation of TIDs incurred by the Contractor under this contract, except for approved performance bond costs or as otherwise agreed to by both parties in writing. If, for instance, the City requests TID System components or customized software enhancements from the Contractor that exceed the requirements set forth herein

or are otherwise not contemplated by the terms of this agreement, and are not priced as optional services herein, the Contractor shall provide the City a detailed cost proposal for said components or customized software enhancements and shall not provide said components or customized software enhancements to the City without the City's written approval.

C. Ongoing Core Contract Service Fee

Commencing one year after the City's final acceptance of the acquired TIDs and associated system components, the City shall pay the Contractor an Annual TID Maintenance and Support Fee of \$14,970 as shown in the table below subject to any subsequent increases in the Maintenance and Support fees assessed by the manufacturer of the hardware or software.

Annual TID Maintenance & Support Fee

Equipment	Units	Per Unit	Total
AutoCite Series 3 Handheld TID	35	\$400	\$14,000
AutoCite Master Charger/Multiplexer	1	\$30	30
AutoCite Slave Charger/Multiplexer	8	\$240	240
AutoIssue Software	1	\$700	700
Annual TID Maintenance & Support Fee			\$14,970

The Annual TID Maintenance and Support Fee is based on the indicated quantity of units. If the City acquires less or more than the number of units indicated in the above table, the Annual TID Maintenance and Support Fee will be adjusted on a proportional basis. For instance, if the City only acquires 30 TIDs, the Annual TID Maintenance and Support Fee would be reduced by \$2,000. In no case shall the Annual TID Maintenance and Support Fee exceed the fee assessed by the manufacturer of the hardware or software.

The Annual TID Maintenance and Support Fee shall fully compensate the Contractor for all costs related to maintaining and supporting all TID components acquired by the City from the Contractor. The Annual TID Maintenance and Support Fee shall include the costs of any and all required batteries, printers, peripherals, cradles, communications and system configuration and integration services. The City shall pay the Contractor for no other costs associated with the maintenance and support of TID components under this contract, except as otherwise agreed to by both parties in writing. The Contractor shall provide all maintenance and support services defined in Exhibit A for no charge for the first year after final acceptance as defined herein.

In addition to the Annual TID Maintenance and Support Fee, the City shall pay the Contractor for the provision of additional goods and services in accord with the City's requirements. The City will pay the Contractor for additional on site training at a charge of \$500 per day plus reasonable expenses approved by the City. For the first year of the Contract the City shall pay the Contractor the rate of \$0.0390 per citation for AutoCite Citation Stock (in lots of 100,000) and \$0.0310 per envelope for Citation Envelopes (in lots of 300,000). Any time thereafter, the City may order additional AutoCite Citation Stock and/or Citation Envelopes from the Contractor for a unit cost not to exceed the Best Available Price offered by the Contractor. In addition, the City may purchase carrying

cases or other peripheral items related to the TIDs, but not specified herein, from the Contractor for a unit cost not to exceed the Best Available Price offered by the Contractor. For the purpose of this provision, the Best Available Price shall be defined as the lowest unit cost paid by another Contractor customer for that unit during the preceding one hundred and eighty (180) days or the unit cost for that unit on the Contractor's Government and Education Price Schedule, whichever is lower

Terms of the maintenance and support agreements will include installation of TID software upgrades as required. Any time after the warranty period (one year after final acceptance), the City may order new, replacement TIDs and TID components from the Contractor for a unit cost not to exceed the Best Available Price offered by the Contractor. For the purpose of this provision, the Best Available Price shall be defined as the lowest unit cost paid by another Contractor customer for that unit during the preceding one hundred and eighty (180) days or the unit cost for that unit on the Contractor's Government and Education Price Schedule, whichever is lower. If the City orders TID system enhancements, the City shall pay the Contractor for such enhancements on a time and materials basis in accord with the terms of the City's order, but in no event shall the hourly rate for time incurred by Contractor personnel exceed \$150 per hour.

D. Optional Service Fees

The City shall pay the Contractor a variable transaction for each authorized service as described in more detail below.

1. Parking Ticket Issuance Service Fee

The City shall compensate the Contractor a cost-based fee for the parking ticket processing services defined in Exhibit B. If the City desires parking ticket issuance services, it shall issue a preliminary Project Task Order to the Contractor requesting those services. The Project Task Order shall define the scope of services to be provided, the estimated resource requirements, including staffing levels, and any other relevant specifications. The Contractor will then submit to the City an Annual Budget for Base Service Costs for the specified services. Upon approving the Annual Budget for Base Service Costs, the City will issue a final Project Task Order to the Contractor and, upon receiving the desired services, pay the Contractor on a monthly basis for all approved Base Service Costs plus a Management Fee equal to twenty percent (20%) of the approved Base Service Costs.

2. Parking Ticket Processing Fee

The City shall compensate the Contractor a unit-based processing fee for the parking ticket processing services defined in Exhibit B in accordance with the table below.

Parking Ticket Processing Fee by Contract Phase

Contract Phase	Cost Unit	Processing Fee Per Unit (by Volume Level)		
		Volume Level 1	Volume Level 2	Volume Level 3
Initial Contract Phase	Processed Ticket	\$2.19	\$1.50	\$1.31
Contract Extension Phase	Processed Ticket	\$2.19 + CPI	\$1.50+ CPI	\$1.31+ CPI

As shown in the table above, the unit fee for processing parking tickets shall decline as the volume of Processed Tickets increases, where Volume Level 1 equals zero to 550,000 tickets per year, Volume Level 2 equals 500,001 to 750,000 tickets per year, and Volume Level 3 equals at least 750,001 tickets per year. For the purpose of compensation, a Processed Ticket shall be defined as a valid, unduplicated parking ticket received from the City or one of its authorized agents (manually or electronically), entered by the Contractor into the Contractor's parking ticket management system and processed by the Contractor in accordance with the requirements set forth in Exhibit B.

The parking ticket processing fee structure shall cover all costs incurred by the Contractor in providing the parking ticket processing services set forth in Exhibit B (and authorized by the City), including all direct, indirect, fixed and variable costs, except as otherwise provided herein. The City will reimburse the Contractor for no other costs associated with the parking ticket processing services set forth in Exhibit B except the following: approved performance bond costs, DMV interface fees charged by state DMV agencies in accord with agreements approved by the City, credit card discount/processing fees approved by the City, postage costs for noticing carried out in accordance with the City's established operating policies and procedures, and an additional fee of \$0.115 (plus postage) for notices or correspondence ordered by the City in addition to the notices required under its established operating policies and procedures. The Contractor will bear all other operating costs that it incurs in providing the parking ticket processing services.

The City and Contractor shall adjust the parking ticket processing fee annually beginning after the Initial Contract Phase in accordance with the change in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (CPI-U) for the St. Louis area for the 12-month period ending with the most recent month for which Department of Labor data is available.

3. Secondary Collection Service Fee

The City shall compensate the Contractor a contingency fee for providing secondary collection services for delinquent accounts as defined in Exhibit B. This contingency fee shall not exceed twenty-five (25) percent of any parking violation fines and late payment penalties collected by the Contractor for delinquent accounts assigned to the Contractor in accord with the City's approved delinquent account management policies. This contingency fee shall not be applied to delinquent amounts fully pledged by law to other funds (e.g., the court administrative costs).

4. Administrative Adjudication Service Fee

The City shall compensate the Contractor a cost-based fee for the administrative adjudication services defined in Exhibit B. If the City desires administrative adjudication services, it shall issue a preliminary Project Task Order to the Contractor requesting those services. The Project Task Order shall define the scope of services to be provided, the estimated resource requirements, including staffing levels, and any other relevant specifications. The Contractor will then submit to the City an Annual Budget for Base Service Costs for the specified services. Upon approving the Annual Budget for Base Service Costs, the City will issue a final Project Task Order to the Contractor and, upon receiving the desired services, pay the Contractor on a monthly basis for all approved Base Service Costs plus a Management Fee equal to twenty percent (20%) of the approved Base Service Costs.

Notwithstanding the schedule of initial not-to-exceed transaction fees set above, the City and Contractor may adopt updated compensation schedules for Optional Contract Services at any time during the contract term. If the City desires any Optional Contract Services described in Exhibit B, it may request the Contractor to submit an updated proposal of terms and costs for said services, including any underlying cost assumptions. Upon accepting the Contractor's updated terms and costs, the City shall issue a Project Task Order authorizing the Contractor to proceed with the delivery of said services. The City shall pay the Contractor for any Optional Contract Service in accordance with the terms of this contract or the Project Task Order issued by the City. The Contractor shall provide the City with full documentation of any fees and expenses at the City's request.

D. Payment Process and Schedule

Upon final acceptance by the City, the Contractor shall submit one invoice for the TID Acquisition Fee itemized and accompanied by supporting documentation in accord with the City's requirements. The City shall remit payment of the TID Acquisition Fee within thirty (30) calendar days of receiving said invoices and approving the corresponding documentation.

The Contractor shall submit monthly invoices for TID maintenance and support services equal to the monthly prorata share of the Annual TID Maintenance and Support Fee (as adjusted for any changes in TID units) plus any amounts due for parking ticket stock and envelopes ordered and received by the City. Each invoice shall be itemized and accompanied by supporting documentation in accord with the City's requirements. The City shall remit payment of the monthly portion of Annual TID Maintenance and Support Fee within thirty (30) calendar days of receiving said invoices and approving the corresponding documentation.

All payments due Contractor from the City pursuant to this agreement are subject to the annual appropriation. In the event the Contractor fails to comply with any terms or conditions of this contract or provide in any manner the products, materials or services agreed to herein, the City reserves the right to withhold any payment until the City is satisfied that corrective action has been successfully completed.

E. Other Fiscal Issues

For the limited purpose of carrying out its obligations under the terms and conditions of this contract, and only to the extent the City is exempt from state and local sales and use, property and federal excise taxes for the same services delivered by the Contractor hereunder, the Contractor may seek exemption from state and local sales and use, property and federal excise taxes as a limited agent of the City. If the Contractor obtains approval and tax exemption certificate from the required taxing authorities, the Contractor shall be exempt from the assessment of state and local sales and use, property and federal excise taxes for the services it delivers to the City hereunder.

The Contractor shall not charge, collect any or make any other use of any convenience fees, royalties, license income, other parking-related income or other revenues associated with the processing of parking violations without the City's prior written approval. If the Contractor identifies viable opportunities for assessing or generating such revenues, it shall project the revenues, costs and potential risks of such revenues, and present this information in writing to the City for approval.

This contract shall be in all respects subject and subordinate to any and all City ordinances and debt obligations related to City revenues collected or managed under the terms of this contract and to any other ordinances that amend, supplement or replace such ordinances. This contract shall also be subject to the availability of funds and the proper encumbrance and annual appropriation of contract funds.

Article IV. Other Contract Provisions

A. Minority/Women Business Enterprise (MBE/WBE) Participation

It is the policy of the City to ensure the maximum utilization of Minority¹ Business Enterprises (MBEs)² and Women's Business Enterprises (WBEs)³ in contracting services to the City, its departments, agencies and authorized representatives and to all entities receiving City or City-administered government funds while at the same time maintaining the quality of services provided to the City and its sub-recipients through the competitive procurement process. The provisions of this policy shall apply to all contracts awarded by the City, its departments and agencies and to all recipients of City funds or City-administered government funds and shall be liberally construed for the accomplishments of its policies and purposes.

The City has established a goal of 25 percent MBE and 5 percent WBE utilization in connection with the Optional Services specified in Section C of Exhibit B of this contract. This goal is based on the negotiated contract amount for the Optional Services detailed in Section C of Exhibit B and shall remain in effect throughout the term of the contract, unless otherwise agreed to by the parties. MBE/WBE participation towards the attainment of this goal will be credited on the basis of the total subcontract prices agreed to between the Contractor and subcontractors, as set forth in the Contractor's MBE/WBE Utilization Plan. The MBE/WBE Utilization Plan must be submitted to the City, and the firms fully certified, prior to the execution of this contract in order to fulfill the participation goals. These goals also apply to any contractor that has been certified as an MBE or WBE.

The Contractor shall conform to the MBE/WBE participation set forth in the MBE/WBE Utilization Plan. When a listed MBE/WBE is unwilling or unable to perform the work or supply the services specified in the MBE/WBE Utilization Plan, the Contractor shall immediately notify the City and obtain the City's written approval prior to replacing the firm. MBE/WBE substitutions will be allowed only when the MBE/WBE has failed to perform due to a default (material breach) of its subcontract. The Contractor understands, warrants and agrees that it shall not terminate its agreement with the MBE/WBE without cause and shall timely forward supporting documentation substantiating the cause of the termination to the City for review.

If the MBE/WBE participation is less than the stated goal at the time of contract execution, the Contractor shall continue good faith efforts throughout the term of the contract to maximize MBE/WBE participation. The Contractor shall document and submit justification using the *Contractor's Good Faith Efforts Report* form and provide a

¹ Minority is defined as Asian American, Black American, Hispanic American or Native American.

² A Minority Business Enterprise (MBE) is defined as a small business concern per the Small Business Act (15 USC as amended) that is at least 51 percent owned by a minority (or a corporation that has at least 51 percent of its stock owned by individuals who are minorities), whose management and daily business operations are controlled by one or more individuals who are minorities, and is located in the Metropolitan St. Louis Area.

³ A Women Business Enterprise (WBE) is defined as a small business concern per the Small Business Act (15 USC as amended) that is at least 51 percent owned by a woman (or a corporation that has at least 51 percent of its stock owned by women), whose management and daily business operations are controlled by one or more individuals who are women, and is located in the Metropolitan St. Louis Area.

statement as to why the goal could not be met. The Contractor agrees to take all reasonable steps to ensure that MBEs and WBEs have maximum opportunity to participate in contracts and subcontracts made possible and financed by the City under this contract. The Contractor shall not discriminate on the basis of race, color, national origin, or sex in the award or in the performance of any contracts financed by the City.

The Contractor shall keep such records as are necessary for the City to determine its compliance with the MBE/WBE contract obligations (e.g., copies of subcontracts, paid invoices, documentation of correspondence). The City reserves the right to investigate, monitor and review actions, payments, statements and documents submitted by any contractor, subcontractor or MBE/WBE. The contractor shall submit quarterly reports on MBE/WBE involvement to the City of St. Louis Airport Authority DBE Office. These reports will be required until all MBE/WBE subcontracting activity is complete or the MBE/WBE goal has been achieved. These provisions are applicable to all contractors, including MBE/WBE contractors. If the MBE/WBE contractor intends to sublet any portion of the contract, the MBE/WBE contractor shall comply with provisions regarding contractor and subcontractor relationships.

B. Nondiscrimination

In all hiring or employment made possible by or resulting from this contract, there will not be any discrimination against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, age, handicap or national origin, and where applicable, affirmative action will be taken to ensure that the vendor's employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, age, handicap or national origin. All solicitations for employees shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, age, handicap or national origin.

The Contractor will take affirmative action not to discriminate against any employee or applicant or otherwise illegally deny any person participation in or the benefits of the program that is the subject of this contract because of race, creed, color, sex, age, disability or national origin. To the extent applicable, the Contractor will comply with all provisions of Executive Order No. 11246 the Civil Rights Act of 1964, (P.L. 88-352) and 1968 (P.L. 90-284), and all applicable federal, state and local laws, ordinances, rules, regulations, orders, instructions, designations and other directives promulgated to prohibit discrimination. The Contractor's violation of this provision, after notice, shall be a material breach of this contract and may result, at the City's option, in the termination of this contract in whole or in part.

The parties, their agents, officials, employees and servants agree not to discriminate in any manner on the basis of age, sex, sexual orientation, handicap, race, color, creed or national origin with reference to the subject matter of that contract, no matter how remote. This provision being incorporated into the contract above referred to for the benefit of the City and its residents may be enforced by action for specific performance, injunctive relief, or other remedy as by law provided; this provision shall be construed in such manner as to prevent and eradicate all discrimination based on age, sex, sexual orientation, handicap, race, color, creed or national origin. This agreement shall be

binding on the successors and assigns of the parties hereto with reference to the subject matter of the above-mentioned contract.

C. Displaced City Employees

To the extent that this contract results in the displacement of any City employees, the Contractor shall make a good faith effort to use displaced City employees as its first source for the recruitment and hiring of employees for meeting contract objectives. The Contractor shall interview and recruit City employees who may have been displaced by this contract before it fills any new position required to satisfy the City's requirements as set forth in Exhibit A or Exhibit B. As part of this good faith effort, the Contractor shall thoroughly document its efforts to recruit City employees and, if requested by the City, execute a first source employment agreement with the City.

D. Other Laws and Regulations

The Contractor will comply with any and all applicable federal, state and local laws, regulations and standards, including public health and safety, zoning, land use controls, public and private nuisances and environmental matters, which are now or hereafter promulgated, insofar as they relate to the Provider's performance of the provisions of this contract, and take all proper or reasonably required safety, preventive and remedial measures in accordance with directives from the relevant federal, state and local enforcement agencies. It shall be the Contractor's obligation to apply for, pay for, and obtain all permits or licenses required.

E. Work Products and Dissemination of Information

All work products that result from the Contractor's services under this contract shall be delivered to the City and become the property of the City after final payment is made to the Contractor with no right, title, or interest in said work products or supporting documentation vesting in Contractor. The Contractor shall not release, transmit or disseminate any information associated with the work performed under this contract without prior knowledge and written consent of the City. For this provision, work product shall mean any report, recommendation, paper, presentation, drawing, demonstration or other materials, regardless of form, pertaining to work performed under this contract.

The Contractor shall maintain all business records in such a manner as will readily conform to the terms of this contract and to make such records available at its office at all reasonable times during the contract period and for two (2) years from the date of the final payment under the contract for inspection or audit by the State Auditor, the City or duly authorized representative of the City. For this provision, business records shall mean any books, documents, papers, account records or other materials, regardless of form, belonging to the Contractor and pertaining to work performed under this contract.

F. Proprietary and Confidentiality Issues

The parties shall not disclose any details in connection with this contract to any other party, except as may be otherwise provided herein or required by law. Both parties shall

take all necessary measures to protect the security and confidentiality of all such materials, reports, programs and information not considered public record under Missouri Law. Neither party shall release proprietary or confidential information without the written approval of the other party. The Contractor shall use no materials or other information of any kind obtained from the City except in the performance of this contract, except that the Contractor may publicize its role under this contract for marketing purposes. The provisions of this paragraph shall survive the termination of this contract.

The TID's, software and implementation methodology is subject to the Contractor's proprietary rights. They embody trade secrets and other proprietary information belonging to Contractor. Disclosure to third parties of any portion of the TID's, software or implementation methodology shall not be made without the prior written consent of the Contractor. The City's providers are "third parties" as used herein. The location of all TID's and all copies of the software will be reported to the Contractor at Contractor's request. The City shall not create or attempt to create, nor permit or assist others to create, the source code or source program or object code, by means of duplication, the making of a derivative work, by reverse engineering or by any other means, of software or TID's provided under this contract. All TID and software designs, data, materials, and all copyrights, patents, and any other proprietary rights, arising in connection with this contract and the software supplied hereunder, whether by the City, modifications, enhancement or customization, regardless of by whom any item or right is created, shall be the sole and exclusive property of the Contractor

The City shall maintain each item of software to which the Contractor retains title and proprietary rights free and clear of all claims, liens and encumbrances except the License. Contractor shall retain title to all modifications or enhancements to software which are made with the assistance of Contractor and the use by the City shall be under the same terms as herein stated. The modified software and the source code so modified shall nonetheless remain subject to all terms of this contract with respect to the software. Any modification shall not create in the City any right of ownership, as modified or not, in the software.

G. Miscellaneous Terms

1. Notices

All notices, requests or demands required or permitted to be made hereunder shall be documented in writing and hand-delivered with a signed receipt or mailed by first-class registered or certified mail (postage prepaid) and addressed to the address that each party designates below:

For the City	For the Contractor
City of St. Louis City Treasurer's Office Room 220, City Hall St. Louis, Missouri 63103 Attn: City Treasurer	Citation Management 2040 West Wisconsin Avenue Suite 350 Milwaukee, Wisconsin 53233 Attn: President

All hand-delivered notices shall be effective upon first receipt. All other notices shall be effective upon deposit in the mails. Each party may change addresses by giving ten days prior written notice thereof to the other party.

2. Entire Contract

The terms of this contract, and the exhibits thereto, shall constitute the complete and exclusive statement of understanding between the parties and supersede all previous written or oral agreements and communications between the parties relating to the subject matter of this contract. The parties agree that all representations made by any officer, agent or employee of the respective parties unless included herein are null and void. This contract shall be binding upon the heirs, successors, assigns, agents, officials, employees, independent contractors, and subcontractors of the parties.

3. Interpretation

The parties deem that this contract is made and construed in accordance with the laws of the State of Missouri. All of the laws and conditions contained herein shall be interpreted in accordance with the laws of the State of Missouri. In the event of a conflict between the various terms and conditions herein or between these terms and other applicable provisions, then the more particular shall prevail over the general and the more stringent or higher standard shall prevail over the less stringent or lower standard.

The attached exhibits form a part of this contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise, between and the body of this Contract and the exhibits thereto, such conflict or inconsistency shall be resolved by giving precedence to the documents according to the following order of priority: The body of this contract, Exhibit A and Exhibit B.

4. Independent Contractor

It is mutually agreed that Contractor is an independent contractor and not an agent of the City. As such, the City shall not be liable to the Contractor for any benefits or coverage as provided by the Worker's Compensation Law of the State of Missouri and further that anyone employed by the contractor shall not be considered an employee of the City for the purpose of Worker's Compensation or unemployment compensation coverage. Moreover, the Contractor shall not be entitled to any other City employment benefits, such as vacation leave, sick leave, paid leave, health insurance or retirement benefits.

5. Assignment

The Contractor shall not assign or transfer any interest or rights hereunder, either in whole or in part, without first obtaining the written consent of the City. Any attempt by the Contractor to assign or transfer its rights hereunder without such prior written consent shall, at the option of the City, automatically terminate this contract and all rights of the Contractor hereunder. A change in ownership of the Contractor shall not be considered

an assignment for purposes of this paragraph, but the Contractor shall promptly notify the City of any such changes in ownership.

6. Subcontracts

The Contractor is authorized to enter into a subcontract with other firms to perform specific services required by the City. However, such agreements are subject to the City's prior written approval.

7. Personal and Third Party Liability

No director, officer, agent or employee of either party shall be held personally liable on any action arising from the execution of this contract. This contract does not, and shall not be deemed or construed to, confer upon or grant to any third parties any right to claim damages or to bring any suit, action or other proceeding against either the City or the Contractor because of any breach hereof or because of any of the terms, covenants and conditions herein contained.

8. Conflict of Interest

The Contractor will not contract for or accept employment for the performance of any work or services with any individual, business, corporation, or governmental unit that would create a conflict of interest in the performance of the obligations pursuant to this contract with the City. The Contractor shall decline any offer of work if its services to the City are likely to be adversely affected by the acceptance of said work. No paid employee of the City shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this contract. The Contractor agrees that should any conflict or potential conflict of interest becomes known, it will promptly notify the City of the situation so that a determination can be made about Contractor's ability to continue performing services under this contract.

9. Severability

If any section, subsection, paragraph, sentence, clause, phrase, term, provision or portion hereof is for any reason held invalid, unlawful, or unconstitutional by any court of competent jurisdiction, the parties may deem such portion severable and such holding shall not affect the validity of the remaining portions hereof. However, the City and Contractor will attempt to replace the invalid or unenforceable term or provision with a valid and enforceable term or provision, which comes as close as possible to expressing the intention of the invalid or unenforceable term or provision.

10. Headings and References

The headings contained herein are for convenience of reference and are not intended to define or limit the scope of any provisions of this contract. The use of the masculine includes feminine and neuter, and the use of singular includes plural.

11. Approval and Recording

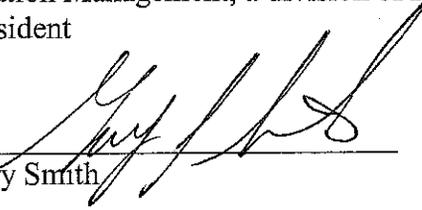
This contract shall not be or become effective or binding on the City until it is approved and fully executed by all signatories of the City. Once this contract is approved and fully executed, the Parties will make and execute all further instruments and documents required to carry out the purposes and intent of the contract. This contract, or a memorandum of this contract, when executed and delivered, will be recorded in the Public Registry of the City. The City shall pay the cost of said recording.

12. Force Majeure

The Contractor shall not be liable for any default or delay in the performance of its obligations under this contract if and to the extent such default or delay is caused, directly or indirectly, by fire, explosion, flood, lightning, earthquake, elements of nature or "acts of God", war, riots, any civil or military authority (by national emergency or acts of third party or parties), civil disorders, rebellions, revolutions, insurrections, or acts of terrorism, naturally occurring or man-made obstructions to transmissions, provided the existence of such obstructions is without the fault or negligence of the Contractor ("Force Majeure Event"). In such event, the Contractor shall as soon as practicable give written notice to the City specifying the nature and anticipated duration of the Force Majeure Event and outline its recovery plan, if any.

IN WITNESS WHEREOF, the parties hereto have executed this contract in duplicate the day and year first above written.

Citation Management, a division of Professional Account Management LLC
President

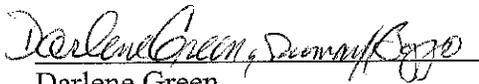


Gary Smith

Mayor of the City of St. Louis

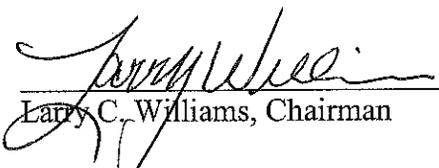
Francis Slay

Comptroller of the City of St. Louis



Darlene Green

Parking Commission of the City of St. Louis

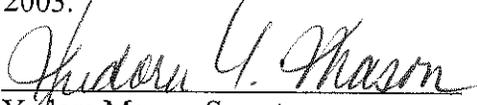


Larry C. Williams, Chairman
President of Board of Aldermen

James Shrewsbury

ATTEST:

Approved by the Board of Estimate and Apportionment on 17th day of November
2003.

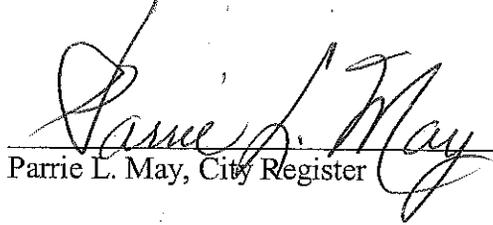


Yudora Mason, Secretary

Approved as to form only:



Thomas J. Ray, Deputy City Counselor



Parrie L. May, City Register

**CONTRACT BETWEEN THE CITY OF ST. LOUIS AND
CITATION MANAGEMENT, INC.**

Exhibit A – Core Contract Service Requirements

A. Overview of Requirements

The Contractor shall provide, complete and deliver all Core Contract Services, including the provision, maintenance and expansion of automated ticket issuance devices (TIDs). These Core Contract Services are described in more detail below.

B. Initial Core Contract Services

1. Overview

The Contractor shall be solely responsible for the design, manufacture, delivery and implementation of all TIDs and related components in accordance with the specifications set forth herein. In the event that any components are manufactured by other sources, the Contractor shall assume full responsibility for their selection, installation and performance. All TIDs and TID components shall be thoroughly tested and proven in the field. As required by the City, the Contractor shall provide all services required to deliver the automated TIDs. These services are described in more detail below.

2. Automated Ticket Issuance System

The Contractor shall provide a fully automated parking ticket issuance system, including sufficient portable, hand-held and automated TIDs, and associated components and materials, to enable all of the City's parking enforcement officers (PEOs) to issue automated parking tickets in accord with the City's approved policies and procedures. Initially, the Contractor will deliver the following TID system components:

- Thirty five (35) AutoCITE Series 3 Handheld Ticket Issuance Computers;
- One (1) Master Charger/Multiplexer;
- Eight (8) AutoCite Charger/Multiplexers and all cables, connections and other components required to ensure effective TID system operations;
- One (1) AutoIssue Host PC and one (1) local printer (with UPS battery back up and surge protection); and
- AutoISSUE Citation Management Software.

The Contractor shall provide the City with one (1) AutoCITE Software License (single site version). The Contractor understands that the number of TIDs or related components may increase due to the City's future hiring and staff deployment decisions.

The Contractor shall ensure that every TID it provides the City is fully operable when deployed. The TIDs shall be mobile, self-contained, one-piece computers of durable construction. They shall be lightweight (under 2.25 pounds with paper installed), easy to read, easy to carry and easy to use by PEOs. Each TID field unit shall include a

computer, integrated printer, battery pack and enough supplies for each PEO to issue at least 120 tickets per shift without requiring a carrying case.

The TIDs and integrated printers shall be rugged, ergonomically designed, moisture-resistant and capable of operating without interruption in the City's external environment, including low temperatures, high humidity levels and significant temperature fluctuations (-20 to 140 degrees F). The integrated printer shall ensure quick, simple loading and the printing of durable legible tickets. The TIDs shall meet or exceed the City's environmental requirements.

The City's other TID requirements include the following:

- Provide a full, 55-key alpha-numeric keyboard (with clearly-labeled, appropriately spaced and pressure-sensitive keys) that maximizes PEO accuracy and speed, provides the convenience of tactile, key-based data entry and multiple keyboard options, and facilitates single-key stroke entry with data prompts, stored data fields and verification routines;
- Provide a quarter panel touch-sensitive VGA display readable in all weather and lighting conditions with adequate display and keyboard backlighting;
- Maintain accurate date, time and ticket number data on an automated, real-time basis;
- Maintain all other standard data in memory (e.g., officer name, badge number, beat code, issuing agency and standard violation, street and vehicle codes) and print it automatically on tickets;
- Automatically capture all relevant data for newly-issued tickets (e.g., ticket number, date and time, registration state and number, vehicle class code, meter number, meter malfunction code, violation code, officer identifier, and fine amount);
- Automatically issue an easy-to-read and -handle ticket (not to exceed 3 inches wide by 6 inches long) that is impervious to, or protected from, snow, rain, sunlight, changes in temperature and other adverse environmental conditions;
- Enable and track the easy correction and re-issuance of tickets;
- Support the immediate identification of boot- and tow-eligible vehicles;
- Activate audible signal when user presses wrong keys or enters information that is on one of the stored data lists;
- Use re-chargeable batteries with adequate battery capacity to power all equipment for at least two eight-hour shifts and provide low battery monitor to warn user when power is low and should be recharged;
- Ensure adequate data integrity, recoverability, storage and memory including expandable flash memory capability; and
- Provide flexible programming and effective communications capabilities.

The TID shall contain (be programmed with) the Contractor's ticket issuance and management software application. This software shall provide a Windows (or equivalent) software platform with convenient, user-friendly screen navigation features (e.g., scroll bars, drop down menus and table/list functionality) and sufficient flexibility to support future customization and growth. This software also shall provide sufficient functionality for issuing parking tickets, recording vehicles parked in time limit zones

within a 24-hour period, identifying scofflaw or tow-eligible vehicles and recording duty status. The major functional features of this software are summarized in the table below.

Key Functional Capabilities for TIDs

Factor	Minimum Service Requirement
Date & Time Recording	Use TID real time (standard) clock to provide date & time stamps for all operational functions, including vehicle tag number observations, over-timing vehicles at meters & ticket issuance; synchronize internal clock daily with AutoIssue Host PC & standard City time as used by the City's data network
Programming & Data Storage	Pre-program & automatically store & pre-fill all required data fields (e.g., street names, meter locations, vehicle makes & models) & include all other required data (e.g., scofflaw lists & stolen plates); provide pre-programmed tables with two-character abbreviation codes for all states & Canadian provinces (set default set at MO), at least 1,000 standard vehicle make, color & body style codes, at least 15,000 streets, blocks & lots, all street names by hundred-block, all meter number locations, at least 1,000 standard non-moving (parking) violations, including all time limit, overtime & residential zone parking functions, 1,000 stored tickets & at least 1,000 stored printable & non-printed remarks
Ticket Issuance	Prompt PEO through entire violation entry process; enable PEO to enter first 1-2 letters of location & scroll through street names, or enter other appropriate characters from internal tables, to streamline data entry; provide search mode function; enable PEO to manually override data in specific fields as identified in Technical Design Document when internal tables are incorrect or insufficient & correct ticket information prior to issuance; enable PEO to automatically print violation description, code & fine on ticket upon entry of violation code; support time limit parking enforcement; prevent issuance of incomplete ticket without acknowledgement by issuing PEO; enable PEO to void ticket prior to completion, but record all data including reason for void (in-field ticket cancellation); automatically generate PEO's name and/or ID number on each ticket; automatically provide unique ticket serialization to prevent duplication of ticket numbers; provide barcode printing on tickets
Scofflaw enforcement	Store 75,000 to one million hot sheet licenses, plats, persons & permits; automatically search scofflaw file when plate number is entered & alert PEO of any match; record all scofflaw hits & capture for reporting purposes
Other PEO Functions	Provide permit/plate cross-reference, meter location matrix function; support warning issuance; support abandoned vehicle enforcement; enable PEO to report incidents in field (e.g., meter outages or defects, missing or damaged signs); automatically log PEO activity
Data Transfer	Start database update process after connecting TIDs to chargers/multiplexers; upload data from the TIDs via interfaced chargers/multiplexers to PC; use communication protocol to exchange data with TIDs & allow simultaneous application & data updates to/from TIDs; allow simultaneous update, query & battery replenishment of TIDs; export data to TID System via an agreed-upon process &, after update, produce report on local PC showing citation data exported to processing system & supporting reconciliation of exported data from local PC to processing system data & verify every point of data exchange to help ensure that no citations are lost during upload process
Downloading Specialized Files	Download specialized database files (e.g., tow-eligible or boot-eligible vehicle data) on regular basis during upload/charging cycle; obtain scofflaw data & other license plates that match City's boot & tow criteria from system master file & transmit to local PC; download new scofflaw file (& any other files City needs on TIDs), replacing any previous file
Management Reporting	Provide daily activity report for each PEO; provide comprehensive management reports, including PEO productivity & activity reports & flexibility to manipulate & import data into user-specified formats; make all data available for viewing & reporting after appropriate update cycles; record all citation productivity data on TIDs & upload to central database server; provide suite of reports that provide meaningful information & provide ad hoc enforcement reporting capability

The TIDs shall store all parking ticket data for automatic transfer to the parking ticket management system at shift end or sooner.

The Contractor shall provide a comprehensive, fully functioning Automated Ticket Issuance System (hereinafter referred to as the TID System). The TID System shall comprise all hardware components and citation management software, including all completed programs, screens, database connections, interfaces, objects, object library, SQL calls and procedures, required to make the TIDs acquired by the City fully operational and interfaced with the City's parking ticket processing system.

The Contractor shall provide a Dell PENTIUM PC or comparable IBM-compatible PC approved by the City as the AutoISSUE Host PC System. The AutoISSUE Host PC will have sufficient power to support and process daily up to 64 AutoCITEs, with multiple charger/multiplexers, and process 25,000 to 15,000,000 tickets on the AutoISSUE Systems database at any one time. The AutoISSUE Host PC design provides the flexibility to make daily changes to stored data lists, including vehicle makes and styles, streets, meters and blocks, violations and remarks.

In order to eliminate the need for back office data entry of ticket data, the Contractor's system shall provide an automated interfacing system for downloading all data from the TIDs to the City's parking ticket management system. This interfacing system shall automatically and quickly unload the ticket data, generate daily activity reports, download updated data for the next shift and charge the TID. The Contractor shall supply sufficient charger/multiplexers to support the TIDs. The charger/multiplexers will allow simultaneous communications between multiple units and the host TID system.

The data shall be transferred from the TIDs to the AutoISSUE PC Host System through an interface charger/multiplexer connected to the AutoISSUE Host PC. The AutoISSUE Host PC then transfers new daily information received from the processing system (e.g., fee changes, list changes or new Hot Lists) to the TIDs while they are simultaneously charging. The data transfer process takes 1 minute per 200 tickets per TID. Each charger/multiplexer can support and process sixteen TIDs. Once ticket data is transferred from the TIDs, daily management reports are then available from the AutoISSUE Host PC for immediate reference by PEOs and supervisors.

The Contractor's AutoISSUE Citation Management Software shall provide several functional features, including:

- One violation per citation control;
- Up to two late fees;
- Scofflaw and hot sheet processing;
- Time limit marking;
- 1D barcode printed on citation;
- Meter location and permit/plate cross referencing;
- Officer activity logging; and
- Broken meter and damaged sign reporting.

The Contractor's Citation Management Software shall provide a comprehensive list maintenance capability with the ability to maintain officer, issuing agency, beat, street, lot, meter location, violation, state code, vehicle make, color and body style, plate/permit

cross-reference and stored remarks lists. It shall enable the City to generate several standard reports, including Violation Summary, Violation Summary by Officer, Violation Summary by Area (Beat), Officer Productivity, Violation Print-Out, Disposition Code, Activity Log, Meter Status, Damaged Sign, Void Reasons, Citation Audit Trail, Mark Mode and Handheld Usage reports. In addition, the Contractor shall provide an ad hoc reporting capability through the AutoCITE System's Paradox-designed data-base formatting capability for DOS and Interbase-designed database for WINDOWS. Using the Paradox or Interbase database, the City shall have a cost-effective tool for producing reports beyond the AutoCITE system's standard reports.

The Contractor warrants that it will provide the City with the highest quality TID System and components. The Contractor will warranty the AutoCITE System for the first year of the contract. This warranty encompasses all hardware and all software, and guarantees replacement of hardware within two (2) days while the Contractor completes any necessary repair work.

Under the warranty plan, the City shall send a defective or malfunctioning unit via second day air to the Contractor with an appropriate Return Material Authorization (RMA) number. Immediately upon receiving the returned unit, the Contractor shall determine whether the unit should be repaired or replaced and, after making this assessment, repair and return the unit to the City or send a loaner unit to the City via an express overnight/next day shipping service approved by the City within forty-eight (48) hours. Upon receiving the replacement unit from the Contractor, the City shall return the loaner unit via ground delivery service within two business days. The Contractor shall pay all shipping costs. The City is only responsible for equipment damages or losses caused by the negligence or theft of the equipment by City employees.

3. TID Implementation

Overview – The Contractor shall design, configure, test, deliver and implement the necessary TID's and associated base stations, telecommunications equipment and other components. The implementation of the Core Contract Services will likely occur in three phases as summarized in the table below.

Summary of Contractor Implementation Phases & Estimated Duration

Phase	Projected Tasks	Duration
Requirements Analysis	Planning & execution of initial design meetings Clarification of City requirements for TID System Development of implementation plan for City approval Design of AutoCITE citation format for City approval Preparation of Technical Design Document for City approval Development of test plan for City approval	30 days
Configuration & Testing	Delivery of AutoCITE/AutoISSUE Emulator for City review Testing of AutoCITE/AutoISSUE Emulator for City approval Complete configuration & preliminary testing of TID system. Completion of final TID system testing Preparation & submittal of testing report for City approval Training program development for City approval Hardware, software & citation paper delivery	30 – 60 days
Installation,	Installation of TID system & components at City	3 – 5 days

Exhibit A – Contract to Implement Automated Ticket Issuance Devices

Training & Implementation	Field testing of TID system & components Training of City personnel Commencement of TID use in field	
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The implementation effort will minimize disruption to the City’s parking enforcement operation.

It is vital that the Contractor implement the Core Contract Services (and Optional Contract Services should they be requested) on a timely basis. Time is of the essence for this contract. Except as otherwise agreed to by the parties, the implementation of these services shall be successfully completed by the Contractor within ninety (90) days of City approval of the Technical Design Document and AutoCite parking citation format.

Since time is of the essence for the completion of this contract, the Contractor shall pay the City as implementation performance credits against any amounts due Contractor (as reported by the Contractor on its subsequent invoice) for each day of delay caused by the Contractor. For the purpose of this provision, a delay shall be defined as commencing when ten (10) business days have elapsed after the Contractor has failed to provide a product or service in compliance with the approved Implementation Plan and failed to provide the City with sufficient notice and explanation of the reasons therefore. The implementation performance credits shall be \$200 per calendar day for the first thirty (30) calendar days of delay and \$500 per calendar day for each day of delay thereafter, provided, however, that in no event shall the aggregate value of the implementation performance credits exceed ten percent (10%) of the total contract cost. After ninety (90) calendar days of delay, the City may declare this contract null and void, and the Contractor shall be entitled to no compensation for any prior work.

In the event that there are delays caused by the City or other circumstances beyond the Contractor’s control that could materially affect the completion date, the Contractor shall request an extension of time for completion of the project. The City shall review the request and, if it is in the City’s best interests, may grant to the Contractor a reasonable extension of time to complete the implementation.

Implementation Planning – The Contractor shall develop a detailed Implementation Plan, including a task schedule, milestones and specific strategies for expediting critical transition activities, and submit said plan for City approval. The Contractor shall submit the Implementation Plan for Core Contract Services within ten (10) business days of contract execution. Upon obtaining the City’s approval of the Implementation Plan for Core Contract Services, the Contractor shall implement the required Core Contract Services in accord with the Implementation Plan as it is initially approved or as it may be amended by joint agreement of the parties. It shall promptly report project status, including any anticipated deviations from plan, to the City and recommend corrective action. All material deviations from the implementation plan must be mutually agreed upon by both parties and approved in advance, in writing, by the City.

Project Management – The Contractor shall provide professional project management acceptable to the City during all stages of implementation. Subject to prior City approval, the Contractor shall assign specific individuals as principal project members who shall be responsible for all implementation work during the term of this contract. Removal of any

principal project member without the prior written approval of the City constitutes grounds for termination by the City. The Contractor shall be responsible for enforcing the performance of its subcontractors and inspecting their work and products, and make all necessary arrangements with its subcontractors to integrate their work and ensure the harmonious, timely and satisfactory completion of project tasks

The Contractor shall coordinate all work through the City's designated contract representative. The Contractor shall not proceed with any task without specific authorization from the City's designated contract representative. The City's designated contract representative shall provide the Contractor with timely access to any information from City documents required to complete the work described herein, ensure the timely participation of City personnel for training and implementation purposes, and provide timely feedback on any issues and decisions required to help ensure success of the work described herein.

The Contractor shall report the progress of its work, and provide written reports, to the City in a frequency and manner recommended by the Contractor and approved by the City. The Contractor shall be fully informed of, and strictly comply with, all laws, rules and orders of any properly-constituted authority affecting this contract. Authorized representatives of the City may at any time review any part of the work to ascertain whether such laws, rules or orders are being followed. The Contractor shall procure all permits and licenses, pay all charges and fees, including fees for street permits, and give notices when necessary.

System Design, Modification and Configuration – The Contractor shall configure the TID System, including the TIDs and software programs, to meet the City's requirements for its unique operating environment within the scope of this agreement. During the Requirements Analysis Phase of implementation, the Contractor shall review the City's requirements for the TID System and prepare a Technical Design Document defining those requirements and how the TID System shall meet those requirements. The Technical Design Document shall include a detailed description of the TID System design and configuration components plus the following:

- Approval Signatures and Open Item Action Plan;
- AutoCITE/AutoISSUE fields, attributes & validation rules;
- Export Control Document (processing system data transfer fields and attributes);
- AutoISSUE Host PC System Information (equipment configuration, dimensions, diagrams and connectivity considerations);
- Citation Mockups (preprinted paper, envelopes, citation data layout);
- System Lists (list tracking matrix and copies of system list data); and
- Additional Processing Considerations (hot sheet list format considerations).

Any and all changes and clarifications to the TID System requirements set forth herein, including any customization required by the City to the base AutoISSUE System to meet requirements contained herein, will be included in the Technical Design Document. The Contractor shall then obtain the City's approval of the Technical Design Document. Once the City has approved the Technical Design Document, no enhancements will be

made to the AutoISSUE System until the system is operational without the prior written approval of both parties.

After approval of the Technical Design Document, the Contractor's first configuration deliverable is the AutoCITE Emulator. The AutoCITE Emulator is a software tool which simulates functionality of an electronic Ticket Issuance Device, including citation issuance, electronic chalking, search capability and broken meter reporting. This tool may be installed on a desktop PC for functionality validation and may also be used for on-going training. Generally, all contracted modules, fields, attributes, rules and issuance handling requirements are built into the Emulator. The Emulator functionality is then verified prior to commencing additional software configuration.

The Contractor will configure the AutoISSUE software to support the creation and transfer of daily electronic files of new parking citations downloaded from the AutoCITE TIDs for transfer to the City's parking citation processing system. These files will be in a mutually agreed upon format. It will be the joint responsibility of the City and the Contractor to ensure the effective transfer and uploading of these files to the City's citation processing system.

The City will provide electronic files of scofflaws and stolen vehicles in a mutually agreed upon file format and the Contractor will configure the AutoISSUE software to ensure the effective up loading of these files to the AutoISSUE system and AutoCITE TID's. During implementation, the City will provide the Contractor with electronic or paper files of all key data elements required for configuration of the TID System (e.g., violation codes, street list and parking meter inventory). After implementation, the Contractor will train City personnel to maintain those files in the AutoISSUE software. Should the City elect to export electronic files of the key data elements from the City's citation processing system for automated update of the AutoISSUE software, such electronic files must be in a format approved by the Contractor and placed in the appropriate system folder on the AutoIssue System by the City.

TID Training and Documentation – As part of its implementation services, the Contractor shall provide sufficient on-site training to all City PEOs to ensure that they can effectively and efficiently use the TIDs. The Contractor shall develop a Training Plan for the TIDs and, upon obtaining the City's approval for that plan, complete all training activities in accordance with that plan. The Contractor shall provide all system documentation, user guides and training materials in an easy to read format, with concise instructions for performing all tasks, and update these documents as processes change.

The Contractor shall provide sufficient training of appropriate City staff to ensure their understanding of the operation of the Contractor's systems and products. Training will be carried out in accord with the Training Plan using professional user manuals or other suitable materials approved by the City. The Contractor will conduct on-site training for at least two (2) days during the installation and initial start up of the TID System, including a classroom session for the City's PEOs and field training in the use of TIDs. The Contractor also will train the approved City staff on downloading citations and transferring data to and from the TID System and maintaining system lists.

The Contractor shall provide complete system documentation, including professional user manuals, in accordance with the approved Implementation Plan. This documentation shall include appropriate written and on-line technical and user documentation (e.g., detailed instructions for City staff on how to accurately enter data, perform queries, generate and interpret reports and perform other parking enforcement management functions). This documentation shall be customized to meet the City's needs and incorporated into the training of City staff. The Contractor shall provide standard documentation updates to the City for the contract term at no additional cost to the City.

TID Testing and Acceptance – Before commencing any testing, the Contractor shall deliver a Testing Plan outlining the testing activities for City approval. The Testing Plan shall define the scope of testing and specific test cases for the TIDs, and performance standards for the acceptance testing instrument.

The Contractor shall test all system components to be delivered under this contract in conformance with the Testing Plan prepared by the Contractor and approved by the City. The Contractor shall work with the City and the City's parking violation processing vendor to design, develop, test and implement the interfaces necessary to upload ticket data from the City's new TIDs. Once the TID configuration is in place, the Contractor shall fully test its TID interface and assist the parking ticket processing vendor with its interface activities. For instance, the Contractor will upload batches of parking tickets from the base station, loading the tickets records onto the test database, and updating various test transactions to the parking ticket records.

When the Contractor completes its testing, it shall notify the City in writing that the TIDs and base system will operate under actual conditions in conformance with the requirements. The Contractor must issue a written Testing Report to the City prior to application for final City acceptance. The City shall review the Contractor's Testing Report, conduct acceptance tests as deemed necessary and approve or reject the Contractor's test findings. If no deficiencies are found or, in the event deficiencies are found and satisfactorily corrected, the City shall notify the Contractor of final acceptance within thirty (30) days of receiving the Contractor's Testing Report or notice that the deficiencies have been satisfactorily corrected, whichever occurs later. The City's final acceptance of the TID System shall mean the City's formal acknowledgement that the Contractor has successfully installed the TID hardware, software and components so as to ensure their effective operation in accord with the City's requirements, including any required interaction with the City's ticket processing system.

All work deemed unacceptable by the City will be documented and reported to the Contractor for correction. The Contractor shall correct all deficiencies at its own expense within ten (10) business days of notification. The City will complete any required follow-up test within ten (10) business days of receiving written notice from the Contractor that all deficiencies have been corrected. If the Contractor is unable to correct all deficiencies to the City's satisfaction, the City shall have the option to order the Contractor to remove the deficient components, or replace them with comparable components from the same manufacturer, at no additional cost to the City. If the City selects this remedy, the Contractor will pay all costs related to and resulting from said replacement.

The failure of the Contractor to install and test the TIDs satisfactorily and secure the City's final acceptance in conformance with the terms herein and the approved implementation plan shall constitute defective work. Inspection and testing shall not relieve the Contractor of its obligation to furnish superior materials and workmanship in accordance with the Contract. Final acceptance by the City shall not relieve the Contractor of its responsibilities under any warranty provisions herein.

After final acceptance, the City may conduct periodic tests to verify the conformance of installed products and completed work to the requirements. If subsequent testing or operation of the TID System demonstrates that the TID System is deficient, the City shall notify the Contractor of the TID System's failure to perform. Within thirty (30) working days of receipt of such notice, the Contractor shall, at its own cost, use its best efforts to correct the identified problem so that the TID System performs according to the City's requirements. If, after thirty (30) working days of receiving the City's written notice of failure to perform, the Contractor has failed to correct the deficiency or provide a correction plan acceptable to the City, the City may terminate this contract for cause.

C. Ongoing Core Contract Services

1. Overview

The Contractor shall provide several ongoing Core Contract Services to the City, including technical support and maintenance and system enhancements. The Contractor will designate a representative to coordinate ongoing Core Contract Services to the City. These ongoing services are described in more detail below.

2. TID Technical Support and Maintenance

After the initial warranty period expires, the Contractor shall provide a full-service TID technical support and maintenance program to give the City full assurance that the TIDs, all hardware and software, and any related components are always fully operational and properly maintained. Under this program, the Contractor shall maintain and service all TIDs and TID components as follows:

- Maintain a toll-free TID maintenance call center with help desk analysts during extended business hours to resolve TID System/component issues;
- Equip the local PCs with appropriate software to enable systems administration personnel to establish remote connectivity to resolve problems (the City will provide and support a broadband Internet connection at the locally installed PC's to facilitate the Contractor's remote connectivity);
- Conduct immediate call center diagnosis for any components requiring repair;
- Provide responsive and effective technical support from request through testing and turnover, for upgrades, troubleshooting equipment failures, servicing, repair and/or replacement of equipment and on-going training;
- Provide a four-hour response time on all TID-related service calls and respond to such calls and questions to the City's satisfaction;
- Provide any required on-site services within seventy-two (72) hours;

- Adjust, repair or replace any malfunctioning TIDs or TID components (as determined by the City) within forty-eight (48) hours of notification; and
- Maintain service histories for all TIDs and their related components; and
- Install all TID System upgrades, including all AutoIssue software upgrades.

The Contractor's full-service TID technical support and maintenance program shall include all parts and labor. The Contractor shall ensure that all of its employees and subcontractors possess the requisite capabilities to perform their assigned roles in a professional, effective and efficient manner (factory-trained or otherwise qualified service technicians).

Under the full-service TID technical support and maintenance program, the City and Contractor shall employ the procedures outlined herein. If a TID fails to operate in accord with the requirements set forth herein, the City shall send the defective or malfunctioning unit via second day air to the Contractor with an appropriate Return Material Authorization (RMA) number and request the Contractor to repair or replace the defective TID or TID parts. The City shall indicate in writing whether or not it was responsible for losing or damaging the defective TID due to its own negligence. Immediately upon receiving the returned unit, the Contractor shall determine whether the unit should be repaired or replaced and, after making this assessment, repair and return the unit to the City or send a loaner unit to the City via an express overnight/next day shipping service approved by the City within forty-eight (48) hours.

Upon receiving the replacement unit from the Contractor, the City shall return the loaner unit via ground delivery service within two business days. The City may reject or return any TID or related component that is not fully operational. The Contractor shall pay all shipping costs associated with items it sends to the City, but the City shall incur shipping costs for any defective units it sends to the Contractor. The City is only responsible for equipment damages or losses caused by the negligence or theft of the equipment by City employees.

In addition, as part of the full-service TID technical support and maintenance program, the Contractor shall furnish adequate supplies over the term of the contract to ensure that all deployed PEOs are fully equipped with operational TIDs at all times. These supplies shall include any required batteries and any required replacement parts, but ticket stock and envelopes shall be acquired separately as set forth herein.

3. Post-Implementation Upgrade, Enhancement and Expansion

The City may obtain TID System upgrades or enhancements through this contract. The Contractor shall notify the City of any available or planned TID System upgrades or enhancements. Upon receiving notice of available or planned TID System upgrades or enhancements, the City shall submit a written order to the Contractor. The Contractor will then provide the upgrades or enhancements ordered by the City. For the purpose of this provision, an upgrade is a TID System modification made by the Contractor that improves the TID System's operating performance but not its basic functionality while an enhancement is a TID System modification made by the Contractor that improves the TID System's operating performance and its basic functionality.

As the City's TIDs and related components become outmoded or obsolete, the City may replace its outmoded TIDs and components with new TIDs and components (e.g., TIDs with wireless technology) through this contract. Upon determining that it requires additional TID components, the City shall submit a written order to that effect to the Contractor. The Contractor will then provide the new components ordered by the City in accord with the pricing terms set forth in the contract.

**AMENDMENT TO THE CONTRACT BETWEEN
THE CITY OF ST. LOUIS AND DUNCAN SOLUTIONS, INC.**

THIS AMENDMENT, made and entered into this 6th day of April, 2009, by and between the City of St. Louis, a constitutional charter city and municipal corporation of the State of Missouri and the St. Louis Parking Commission (the "City"), and Professional Account Management, LLC, a subsidiary of Duncan Solutions Inc. and a Wisconsin limited liability company registered and authorized to do business in the State of Missouri, and Duncan Solutions Inc., a corporation soon to be registered and authorized do business in the State of Missouri (collectively the "Contractor").

WITNESSETH:

WHEREAS, the City entered into an agreement with Citation Management, Inc., a wholly-owned subsidiary of Contractor in October, 2004 (the "Contract") to provide automated ticket issuance devices and deliver a variety of other services related to the City's on-street parking program;

WHEREAS, Article I, Section E of the Contract authorizes contract amendments and Article II, Section B and Exhibit B of the Contract authorizes the City to request certain Optional Contract Services from the Contractor through the execution of Project Task Orders; and

WHEREAS, the parties desire to modify the Contract by entering into this Amendment, facilitate the execution of Project Task Orders for Optional Contract Services and change certain other Contract terms.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter contained, and other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties hereby agree to amend the Contract as follows:

1. Preamble – Add the following text at the end of the first paragraph on the first page:

This Contract, as originally executed and subsequently modified, amended, extended or renewed is hereinafter called the "Contract."

2. Article I, Section A (Contract Objectives) – This section shall be deleted and replaced in its entirety with the following text:

The City has engaged the Contractor to help it improve on-street parking management activities while at the same time enhancing violation data control and interfacing with the City's processing agent. The City's objectives for this contract include the following:

- Outstanding on-street parking management – Productive use of the City's metered and non-metered on-street parking spaces, including superb customer service, convenient public parking access, efficient traffic flow, vibrant commerce, rigorous revenue and security controls, consistent legal compliance and high net operating income;
- Reliable and efficient parking ticket issuance – Rapid, accurate issuance of durable, easy-to-read parking tickets, rigorous data control, accurate recording of parking violation data and seamless interface of violation transaction data with the parking ticket management system; and

- Thorough public accountability – Comprehensive and easy-to-use reports that support the continual performance monitoring of on-street parking programs and maximize public confidence in the City and its services.

The City's objectives shall be met and monitored in accordance with the terms and conditions of this contract. The City desires to build and maintain a first class public parking program and improving the parking violation, parking meter management and other on-street parking programs are prerequisites for achieving that goal. As such, the City may request the Contractor to provide certain Optional Contract Services as described herein.

3. Article I, Section C (Contract Duration) – This section shall be deleted and replaced in its entirety with the following text:

The term of this contract shall commence at 12:01 A.M., C.S.T. on the date of contract execution and terminate at 12:00 P.M., C.S.T., on December 31, 2016, unless terminated for other reasons as specified herein. The term of the contract shall comprise two phases: the Initial Term (i.e., extending from the date of contract execution through December 31, 2011) and the Extension Term (i.e., extending from the end of the Initial Term through December 31, 2016). The City, subject to annual appropriation, the Contractor's compliance with the terms of the related Project Task Order, and approval of the Parking Commission, may authorize the Extension Term by giving written notice to the Contractor at least ninety (90) days prior to the end of the Initial Term. The City's failure to give the Contractor said 90-day notice shall effectively terminate this contract unless both parties agree to an extension in writing. The duration of the contract may otherwise be modified by a properly-executed written amendment between the parties.

4. Article II, Section G (Performance Bond and Warranties) – Insert the following sentence at the end of the second paragraph of Section G:

Any other additional work undertaken pursuant to this Contract, whether by amendment hereto, separate Project Task Order or otherwise, may require the Contractor to deliver a performance bond to the City in form and substance, and on the identical terms and conditions, as stated in the first two paragraphs of this section, except as such matters, including the minimum amount of such bond, may be modified in the written specifications set forth in the contract amendment or Project Task Order applicable to such work.

5. Article II, Section H (Insurance) – Replace the third sentence of Subsection 3 (Commercial General Liability Insurance) with the following new sentence:

It shall have a combined single limit of One Million Dollars (\$1,000,000) for each occurrence, subject to a Ten Million Dollars (\$10,000,000) umbrella policy limit for completed operations and personal injury, including bodily injury.

6. Article II, Section H (Insurance) – Subsection 4 (Business Automotive Liability Insurance) shall be deleted and replaced in its entirety with the following text:

The Contractor shall procure and maintain business automobile liability insurance during the life of this Contract as amended. Such coverage shall be written on a comprehensive form covering owned, non-owned and leased vehicles used by Contractor for work performed under this Contract as amended. The automobile bodily injury and property insurance for business use shall have limits of not less than Five Hundred Thousand Dollars (\$500,000) liability per person, One Million Dollars (\$1,000,000) per accident, and One Hundred Thousand Dollars (\$100,000) for each incident of property damage. Said insurance shall protect the Contractor and City from any and all claims arising from the use of vehicles, equipment and facilities in connection with this Contract as amended, including the Contractor's own property. To the extent that the Contractor uses, or its employees, subcontractors or agents drive, City-owned or –furnished vehicles, the Contractor will include the City as an additional named insured on the policy.

7. Article II, Section I (Indemnification) – Delete the first paragraph of this section in its entirety and replace with the following new paragraph:

To the fullest extent permitted by law, the Contractor shall release, defend, indemnify and hold harmless the City, its agents, officials and employees, from any and all liability, losses, damages, claims, actions or proceedings, including worker's compensation claims, in any way resulting from, or arising out of, Contractor's negligent acts or omissions and intentional or willful misconduct in the performance of its activities in connection herewith, or its use or occupancy of any portion of the City's facilities which was negligent or involved willful or intentional misconduct, except to the extent such losses or damages are caused by the negligence or willful misconduct of the City or its agents, officials and employees. If the City is threatened with or incurs any loss, damage or expense for which it is entitled to be indemnified by Contractor, it shall as a condition of the indemnity:

- (a) promptly notify Contractor of the claim and furnish to Contractor the claim and all documents received from the third party in support of its claim; provided, however, that failure to give such notice shall not relieve Contractor of Contractor's obligations under this Section except to the extent that Contractor was actually and materially prejudiced by such failure;
- (b) not make any admission as to liability or agree to any settlement or compromise of the claim without Contractor's prior written consent;
- (c) give Contractor express authority to conduct all negotiations and litigation, and to settle litigation, arising from such claim; and
- (d) provide Contractor with such available information and reasonable assistance as may reasonably be required to assess, respond to and, if necessary, litigate or settle the claim.

If, after thirty days from notice of a claim, Contractor has not notified the City that Contractor will undertake to settle, compromise or litigate it, that shall be deemed an authorization to the City to pay such claim. Upon Contractor's receipt of proof of City's payment, the indemnity shall immediately be due and payable. The Parties shall cooperate with each other in resolving or attempting to resolve any claim.

8. Article III, Section D, Subsection 4 (Administrative Adjudication Service Fee) – The title of the subsection shall be changed from *Administrative Adjudication Service Fee* to *Other Service Fees* and the section shall be deleted and replaced in its entirety with the following text:

The fees for any other on-street parking management services shall be set forth in the Project Task Order for the specified services. If the Project Task Order calls for a cost-plus compensation structure, the City shall pay the Contractor for actual costs incurred by the Contractor in connection with providing the specified services and approved in advance by the City (i.e., the Base Service Costs) plus a Management Fee equal to a certain percent of the approved Base Service Costs as set forth in the Project Task Order. If the Project Task Order calls for an alternative compensation structure, the City shall pay the Contractor in accord with the terms of that compensation method. The Contractor shall provide the City with full documentation of any costs and fees as requested by the City. Upon receiving the specified services and documentation, the City shall pay the Contractor in accord with the terms set forth in the Project Task Order.

9. Article IV, Section G, Subsection 1 (Notices) – The contact information for the Contractor shall be deleted and replaced in its entirety with the following contact information: Duncan Solutions, Inc., 633 West Wisconsin Avenue, Suite 1600, Milwaukee, WI 53203, Attention: President/CEO.

10. Article IV, Section G, Subsection 12 (Force Majeure) – Eliminate the sentence of this section and replace it with the following sentence:

In such event, the Contractor shall give written notice to the City specifying the nature and anticipated duration of the Force Majeure Event and its recovery plan for restoring services, but, if the Parties fail to execute a mutually-agreeable

recovery plan within thirty (30) days of the Force Majeure Event, the Contract shall be terminated.

11. Exhibit B, Section A (Overview of Requirements) – The fourth bullet point in the first paragraph shall be changed from *Administrative Adjudication Services* to *Other Services*.

12. Exhibit B, Section E (Administrative Adjudication Services) – The title of the subsection shall be changed from *Administrative Adjudication Service Fee* to *Other Services* and the section shall be deleted and replaced in its entirety with the following text:

The Contractor, as authorized by the City under terms set forth in a Project Task Order, shall provide management, coordination or operational services as required by the City to enhance and support the City's meter management program and other on-street public parking programs. Parking meter management services may include parking meter removal, installation, collections and maintenance for the City's approved inventory of single-space or multi-space parking meters or other on-street parking equipment or systems approved by the City. Other on-street parking program support services may include planning, analysis, operational and tactical support for maximizing the use, accessibility, productivity and value of the City's metered and non-metered on-street parking spaces.

13. Exhibit B, Section F (Implementation) – This section shall be deleted and replaced in its entirety with the following text:

If the City desires any Optional Contract Service contemplated or anticipated in Exhibit B, including any on-street parking management services in the public interest, it may request the Contractor to submit an updated proposal offering such services. The proposal shall contain, at a minimum, a description of the proposed services, required resources for delivering such services, compensation for said services, including any underlying cost assumptions and alternative compensation methods, and other terms and conditions.

Upon determining the Optional Contract Service it requires, the City shall issue a Project Task Order to the Contractor. The Project Task Order shall, at a minimum, define the scope of services to be provided, the estimated resource requirements, including staffing levels, for providing said services, any other relevant specifications, the implementation strategy and the compensation terms for the specified services. Every Project Task Order shall be signed by authorized representatives of the City and Contractor. Under no circumstances, shall the Contractor provide any services that would create an actual or a perceived conflict of interest, such as the provision of both parking ticket issuance and processing/collection services where the Contractor's compensation is based in whole or part on the number of parking tickets it processes or the value of parking tickets it collects on behalf of the City.

Upon obtaining the City's approval and signature of the executed Project Task Order, the Contractor shall implement the required Optional Contract Service in accord with the specifications, terms and conditions of the Project Task Order. At the City's request, or if the Project Task Order entails a cost-plus compensation structure, the Contractor also shall submit to the City an Annual Budget for the Base Service Costs. Upon approving the Annual Budget for Base Service Costs, the City shall direct the Contractor to implement the Project Task Order. Except as otherwise agreed to by the parties, the Contractor shall implement the Optional Contract Service no later than ninety (90) days after it receives the approved and executed Project Task Order.

14. It is a condition precedent to the Contractor's proceeding with work under Phases 2 and 3 of Project Task Order No 1 that Contractor shall become legally qualified to transact business in the State of Missouri. Contractor shall deliver to the City a Certificate of Good Standing, dated subsequent to April 16, 2009, issued by the Secretary of State of Missouri confirming such qualification and stating the name and address of Contractor's registered agent and registered office.

15. All other terms of the Contract shall remain the same as set forth in the initial Contract

referenced herein and subsequent amendments thereto.

IN WITNESS WHEREOF, the parties hereto have executed this amendment to the contract the date and year first written above.

President and CEO, Duncan Solutions, Inc. and Director of Professional Account Management



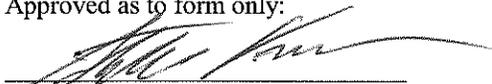
Michael J. Nickolaus

Parking Commission of the City of St. Louis

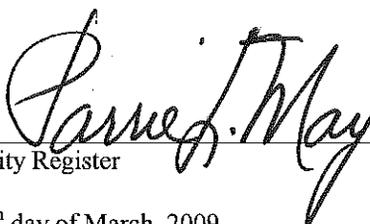


Larry C. Williams, Chairman

Approved as to form only:



City Counselor (or designee)



City Register

ATTEST: Authorized by the Parking Commission on the 26th day of March, 2009.

City of St. Louis Parking Commission
Project Task Order No. 1 for
Meter & Other On-Street Parking Management Services

A. Introduction

As allowed under Article II, Section B and Exhibit B of the Contract between the City of St. Louis and the St. Louis Parking Commission (the "City") and Professional Account Management, LLC, a subsidiary of Duncan Solutions Inc. and a Wisconsin limited liability company registered and authorized to do business in the State of Missouri and Duncan Solutions Inc., a corporation soon to be registered and authorized do business in the State of Missouri (collectively the "Contractor"), this First Project Task Order under the Contract is entered into this 6th day of April, 2009, by and between the City and Contractor.

As required by Exhibit B, Section F of the Contract, this Project Task Order defines the scope of services to be provided, the implementation strategy, the estimated resource requirements (including staffing levels) for providing said services, other relevant specifications and the compensation terms for the specified services. Every Project Task Order must be signed by authorized representatives of the City and Contractor.

The independently-elected City Treasurer is authorized under state law to supervise the City's Parking Division and all public parking programs. The Parking Division is responsible for administering several public parking programs, including metered and non-metered on-street parking programs (e.g., permit and valet programs). The meter program has the following operating characteristics:

- Over 9,500 electronic single-space parking meters in operation on City streets;
- Eight collection routes with separate keys and weekly collection frequencies;
- Three collection crews, each comprising one vehicle, one driver and two collectors;
- Four maintenance crews, each with one employee; and
- Three collection vehicles and four maintenance vehicles.

The metered parking programs generate significant revenues, but the meter rates, deployment patterns and collection routes require continual adjustment. While several employees are involved with the supervision and support of on-street parking program operations, the non-metered on-street parking programs have historically generated limited operating revenues. The Parking Commission believes that, with enhanced business practices, such programs offer significant potential benefits to the City.

The purpose of this task order is to transfer responsibility for the day-to-day supervision and staffing of the metered and non-metered on-street parking programs from the Parking Division to the Contractor and ensure the prompt adoption of best-in-class business practices. Ultimately, the Contractor is expected to significantly enhance the productivity of all on-street parking spaces and dramatically improve the net operating income of the Parking Division's on-street parking space management programs. At the same time, the Contractor shall ensure superb customer service, convenient public parking access,

effective traffic flow and commerce, rigorous revenue and security controls, effective regulatory enforcement and constant public communications.

B. Specified Services and Phases

1. Overview – The Contractor shall provide the City with the requisite facilities, equipment, systems, personnel and other resources to deliver parking meter management and other on-street parking program support services throughout the City as outlined herein. The Contractor will assume responsibility for managing these services in a deliberate manner in accord with three phases as described below.

2. Service Requirements by Phase – The Contractor shall meet the City’s objectives and deliver the specified services on behalf of the City in the following phases:

- Phase 1 (Transition) – plan and coordinate a phased transition process for assuming managerial and operational responsibility for the specified services from the Parking Division, including implementation planning, initial operational analysis, and the rigorous screening and evaluation of all applicants for relevant positions;
- Phase 2 (Management) – assume responsibility for managing and delivering the specified services from the Parking Division, including furnishing sufficient personnel to operate the associated programs and, where appropriate, assuming operational control of any City-owned assets or resources as requested by the City (e.g., facilities, vehicles and equipment); and
- Phase 3 (Concession) – assume responsibility for managing and delivering the specified services from the Parking Division, including furnishing all personnel and other assets and resources required by the City to deliver the specified services and operate the assigned programs on behalf of the Parking Division.

During Phase 1, the Contractor shall obtain a full understanding of the programs for which it is responsible, including all applicable laws, regulations and policies. It shall review the current revenues, rates and fees and recommend a rate classification system for each program. It shall review the operating environment and City-owned assets and resources for each program, and determine the optimum way to operate those programs and deploy relevant assets in Phase 2. The Contractor will interview, screen and evaluate all relevant Parking Division employees and determine those employees needed and qualified to help deliver the specified services in Phase 2. The Contractor will develop a transition plan, select and train staff, recommend business rule changes and recommend other enhanced operating, revenue control and security practices for Phase 2.

During Phase 2, the Contractor will be responsible for the day-to-day management and operation of the specified programs and ensure full compliance with all applicable ordinances, policies and procedures. It will employ and furnish sufficient personnel to satisfy its contractual obligations and provide superior on-site management and supervision for all personnel during all City-specified operating hours. The Contractor shall use and be assigned operational control (but not legal ownership) of any City-owned or -furnished office space, vehicles, equipment, technologies, uniforms and supplies needed to deliver the specified services and satisfy its contractual obligations. For

example, the Contractor will assume control of the meter inventory and, as needed, re-key meter vaults, revamp collection routes and upgrade lock and key sets. During Phase 2, the Contractor shall provide the City with a monthly performance report in a format, frequency and manner specified by the City. At a minimum, this report shall include a roster of all employees with their respective names, titles, duties, schedules and identifying data, and any other data required by the City.

During Phase 3, in addition to continuing its Phase 2 duties (e.g., managing the program and furnishing and supervising all personnel), the Contractor shall furnish and maintain all other resources deemed necessary by the City to deliver the specified services. During Phase 3, the Contractor shall provide the City with a monthly performance report in a format, frequency and manner specified by the City. At a minimum, this report shall include a roster of all employees and any other data required by the City.

3. Performance Targets by Phase – The Contractor shall provide the required services for each phase beginning with Phase 1 which will commence upon the execution of this Project Task Order. The subsequent phases—Phase 2 and Phase 3—will not commence until the immediately preceding phase has been successfully completed. This determination will be made solely by the City based on the City’s assessment of the Contractor’s performance, including but not necessarily limited to the Contractor’s satisfactory attainment of the City’s objectives and performance targets and the Contractor’s other contractual obligations.

The duration of each phase will vary, depending on the Contractor’s ability to attain the City’s performance targets to the City’s full satisfaction. The City anticipates that Phase 1 will require up to ninety (90) days and Phase 2 up to thirty (30) months; together the first two phases will be completed by December 31, 2011 (i.e., the end of the *Initial Term* in the contract). Since the City anticipates that Phase 3 will require at least five years, it will not approve the commencement of Phase 3 under this task order without also authorizing the *Extension Term* under the contract. The performance targets for each phase are set forth below.

Summary of Duration Cycles & Performance Targets by Phase

Phase	Duration	Submittal Requirements & Other Performance Targets
1	60 days – 90 days	<ul style="list-style-type: none"> ▪ Registration of Duncan Solutions Inc. to do business in Missouri ▪ On-Street Parking Management Report with feasible recommendations for attaining an aggregate 2.0 operating ratio for assigned programs & improving quality of each program, including improvements to laws, policies, rates, meter management practices, non-metered parking programs & associated operations ▪ Complete, accurate inventory of City’s meters & meter peripherals, including operating status, functionality & condition of all meters & meter peripherals ▪ Complete, accurate profile of City’s most promising non-metered on-street parking spaces, including opportunities for improving productivity of non-metered spaces via time limits, permits & other on-street parking programs ▪ Submittal of other required documents for Phase 2, including operating budget, rate structure, organization chart, staffing/training plan, meter inventory, on-street space profile, public information program (e.g., parking map, brochure, signage & website) & implementation program

Summary of Duration Cycles & Performance Targets by Phase (cont.)

Phase	Duration	Submittal Requirements & Other Performance Targets
2	6 months – 30 months	<ul style="list-style-type: none"> ▪ Superb customer service, convenient parking access, effective traffic flow, rigorous revenue/security controls & effective public communications as determined by the City in its sole judgment ▪ Exceed an aggregate 2.25 operating ratio for programs assigned to Contractor for at least 6 consecutive months ▪ Maintain parking meter uptime of at least 95% ▪ Maintain meter mean time between repairs of less than 4 hours ▪ Submittal of comprehensive operating plan for recommended on-street non-metered parking programs (e.g., permit, validation, special event & valet), including on-street parking program & signage improvements ▪ Submittal of comprehensive technology plan for upgrading on-street parking systems, including objective analysis of alternative multi-space meter products & communications systems ▪ Submittal of other required documents for Phase 3, including operating & capital budget, rate structure, organization chart, staffing plan, meter & non-metered space inventory, business rules, management reports, public information program (e.g., parking map, brochure, signage & website) & implementation program
3	5 years – 7 years	<ul style="list-style-type: none"> ▪ Superb customer service, convenient parking access, effective traffic flow, rigorous revenue/security controls & effective public communications as determined by the City in its sole judgment ▪ Exceed operating ratios of at least 2.30 for 1st year, 2.35 for 2nd year, 2.40 for 3rd year, 2.45 for 4th year & 2.50 for 5th year ▪ Maintain parking meter uptime of at least 98% ▪ Maintain meter average mean time between repair of less than 2 hours ▪ Continuous submittal of updated Phase 3 documents, including operating & capital budget, rate structure, organization chart, staffing plan, meter & non-metered space inventory, business rules, management reports & public information program (e.g., parking map, brochure, signage & website)

Note: Operating ratio = total net operating income ÷ total operating expenses for all programs assigned to Contractor, where operating income and expenses are directly generated or incurred by or in connection with Contractor-operated programs in accord with generally accepted accounting principles for governmental entities and the City Comptroller's cost accounting methodology, except that any costs allocated by the Parking Division to Contractor-operated programs for general administration (e.g., parking administration, fiscal control & vehicle maintenance) shall not exceed ten percent (10%) of direct program costs.

The Contractor will provide the City with an implementation program at the outset of each phase. Every implementation program shall include a transition strategy, work schedule (with responsibility assignments, deliverables and milestones) and performance metrics, and be submitted in a format and manner specified by the City.

4. Services by Program – The Contractor shall provide those services set forth herein plus any ancillary, supportive or complementary services deemed necessary by the City in its sole discretion to ensure the attainment of the City's objectives and performance targets for on-street metered and non-metered parking programs.

The Contractor shall deliver a full array of meter management services required by the City, including but not necessarily limited to parking meter removal, installation, collections and maintenance. These services will be provided for the Parking Division's entire inventory of parking meters, initially estimated to include at least 9,500 single-space meters. The City's minimal requirements for meter management services are outlined by phase in Appendix A.

The Contractor shall provide a full array of other on-street parking space (i.e., non-metered parking program) management services required by the City, including but not necessarily limited to planning, analysis and tactical support for maximizing the use, accessibility, productivity and value of the City's on-street parking spaces. The City's minimal requirements for non-metered on-street parking space management services are outlined by phase in Appendix B.

C. Resource Requirements

1. Overview – The resource requirements for performing this Contract will vary by phase. The Contractor's responsibility for furnishing resources will increase with each successive phase. These requirements are outlined below.

2. Personnel Resources – For every phase, the Contractor will provide a full-time, on-site Program Director to oversee the delivery of all services required by the City and manage all aspects of the Contractor's performance. The Program Director will, at a minimum, possess the following attributes:

- In-depth understanding of relevant best practices for designing, implementing and operating metered and other public on-street parking programs;
- Sufficient management and administrative skills, training and experience to manage the specified services and meet the Contract objectives;
- Strong change management capabilities, including the ability to expedite changes in program operating regulations, dynamics and resources;
- Demonstrated ability to effectively monitor and improve performance, ensure the cost-effective use of resources and preserve the value of all City-owned assets
- Superb interpersonal and communications skills, including the ability to work effectively with other public agencies and represent the City in public settings; and
- Working knowledge of the City's parking operating environment, including state and local laws, regulations and business rules, customer service demands throughout the City and the characteristics of City streets, districts and neighborhoods.

For Phase 1, unless otherwise approved by the City, Anderson Moore will serve as the on-site Program Director (i.e., Transition Director). For Phases 2 and 3, the Contractor will furnish an on-site Program Director approved by the City.

The Contractor also will furnish personnel for the following positions:

- Field Operations Manager – supervise meter collectors, meter technicians and other on-street parking program employees;
- Meter Collector – collect, safeguard and deliver cash from meters, audit meter collections and operability, report meter outages, missing/defaced meters and parking sign deficiencies and any evidence of vandalism, theft or other problems;
- Meter Technician – maintain operational meter and spare parts inventory, conduct preventative maintenance, meet required meter uptime levels, process work order requests and repair meters in field and shop in accord with City-required standards;

The Contractor shall provide a full array of other on-street parking space (i.e., non-metered parking program) management services required by the City, including but not necessarily limited to planning, analysis and tactical support for maximizing the use, accessibility, productivity and value of the City's on-street parking spaces. The City's minimal requirements for non-metered on-street parking space management services are outlined by phase in Appendix B.

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- In-depth understanding of relevant best practices for designing, implementing and operating metered and other public on-street parking programs;
- Sufficient management and administrative skills, training and experience to manage the specified services and meet the Contract objectives;
- Strong change management capabilities, including the ability to expedite changes in program operating regulations, dynamics and resources;
- Demonstrated ability to effectively monitor and improve performance, ensure the cost-effective use of resources and preserve the value of all City-owned assets

- On-Street Parking Coordinator – recommend, design, implement and supervise non-metered on-street parking space programs, including permit, special event, validation, and valet programs, perform customer/community outreach, monitor and evaluate program results and continually refine programs where needed;
- Dispatch Operator – coordinate meter collector, meter technician and parking enforcement officer field deployment, maintain two-way communications with field staff, assign meter work orders and log completed orders;
- Human Resource Supervisor – prepare and post job descriptions, distribute applications, coordinate and conduct applicant interviews, manage background check/screening services, extend job offers, record employee data, enroll employees in payroll/personnel systems and maintain evaluations and other personnel records;
- Administrative Support Specialist – provide all required administrative services, including payroll/personnel, contract management, procurement, budgeting, fiscal, accounting, marketing, customer service and management reporting;
- Program/Management Analyst – compile and analyze data, design, prepare and update management reports, scan, review and recommend industry best practices, analyze and recommend improvements for all relevant programs, assist with public relations and community outreach and process City information requests;
- Revenue Control/Security Specialist – assess, design and implement security and revenue control procedures for all meter and non-metered on-street parking programs, identify, and monitor and report suspected theft or vandalism; and
- Parking Management Consultant – review and make recommendations to City for improving all aspects of parking programs, such as ordinances, regulations, policies, operational practices, policies, revenues, costs, technology and equipment.

It is anticipated that the above positions will be required for each phase as follows.

Personnel Requirements by Position & Contract Phase

Personnel Resource (Position)	Phase 1	Phase 2	Phase 3
Program Director/Transition Director	☑	☑	☑
Field Operations Manager	☑	☑	☑
Meter Collector		☑	☑
Meter Technician		☑	☑
On-Street Parking Coordinator	☑	☑	☑
Dispatch Operator		☑	☑
Human Resource Supervisor	☑		
Administrative Support Specialist		☑	☑
Program/Management Analyst	☑	☑	☑
Revenue Control/Security Specialist	☑	☑	☑
Parking Management Consultant	☑	☑	

When required to furnish personnel to fulfill its contractual obligations, the Contractor will hire employees that meet or exceed the highest standards in the industry for comparable positions. Every manager and supervisor furnished by the Contractor must possess sufficient academic and occupational credentials to perform their assigned duties. No Program Director shall be engaged or removed without the City’s prior written approval. In addition, the City reserves the right to approve or require the removal of the Program Director at any time.

In recruiting, evaluating, selecting and furnishing any personnel for meeting its contractual obligations, the Contractor shall satisfy the following requirements:

- Hire employees who are at least 21 years of age, possess a valid driver's license, and have no delinquent parking violations nor more than two points on their driving record;
- Hire employees who have a verifiable work history with good professional references and a demonstrated commitment to acceptable work habits;
- Hire employees who are able to read, write and converse in the English language and possess a high school degree (or GED certificate);
- Refrain from hiring any persons who have been convicted in a court of competent jurisdiction of theft, illegal misappropriation of funds, violent crimes or any other crime that the City regards as a potential barrier to effective contract performance;
- Refrain from hiring any persons related by blood or marriage to any officer, partner, owner, or agent of the Parking Division, Contractor or its subcontractors, without the City's prior approval; and
- Comply with all applicable federal, state and local laws and regulations pertaining to the hiring and employment of personnel for public services and programs.

All Contractor employees must comply with all Contractor personnel policies, maintain poise and discipline in all work-related situations and conditions, exercise courtesy and sound judgment in all dealings with the general public and perform their duties in a professional manner. Maintaining clean driving and criminal records also are conditions of continued employment. During any phase, the Contractor must terminate or reassign any employee whose conduct is detrimental to the City's interests.

3. Other Resource Requirements – The Contractor also will furnish certain non-personnel resources for meeting its obligations under the Contract. These non-personnel resource requirements will vary by phase as set forth below.

For Phases 1 and 2, the City will provide all required non-personnel resources, including office and maintenance space, vehicles, parking meters and peripherals, communications devices and dispatch system. During Phase 2, however, the Contractor may determine that it would be more cost-effective for the City to improve or replace certain non-personnel resources furnished by the City and may recommend the improvement or replacement of City-owned assets or other City-furnished non-personnel resources. If the City agrees that such assets or resources should be improved or replaced, the City and Contractor shall negotiate and execute an amendment to this Project Task Order governing the terms and conditions of such improvement or replacement.

For Phase 3, the Contractor will furnish all required non-personnel resources, subject to the City's prior approval. The Contractor will determine the resources required for Phase 3 and submit an itemized budget to the City for approval before the end of Phase 2. Such resources shall include, but not necessarily be limited to, the following items:

- Sufficient office space at a City-approved site in the City for housing meter management and other on-street parking space management personnel;
- Meter collection and maintenance vehicles;
- Parking meters, keys, canisters, carts and other peripherals;
- A comprehensive communications system, including a base station and ample hand-held devices for all required personnel, ensuring clear and dependable two-way communications between field staff throughout the City and the office; and
- Other equipment, technologies and supplies required to support the City's other public on-street parking space management programs.

All such resources, including their location, deployment, quantities, functionality, markings, features and other specifications, shall be subject to the City's prior approval. In addition, the acquisition process for any on-street parking technology or equipment procured during Phase 3 shall be subject to the City's prior approval.

D. Other Relevant Specifications

In addition to the terms and conditions set forth in the Contract, this Project Task Order shall be subject to the following terms and conditions:

- The Contractor shall work with the City and designated parking improvement districts within the City to promote the tailoring of public parking programs and services to the particular customer service needs of those districts;
- The Contractor shall provide objective assistance to the City with the identification, evaluation and selection of parking systems, equipment and devices, providing independently-validated data on alternative vendors, products, costs and any other City-required factor for supporting its recommendations to the City;
- The Contractor shall not assign or transfer any interest in this Contract, or engage any subcontractors, without the prior written consent of the City;
- The Contractor shall notify the City of any contracts it executes with other public entities to provide services similar to those provided to the City within ninety (90) days of the date of execution of said contracts;
- The City reserves the right to audit the Contractor's systems, records and support facilities related to the services specified herein and the Contractor must fully cooperate in such audits; and
- For work to be performed under this Project Task Order, the Contractor shall provide and maintain a performance bond approved by the City in an amount of at least one million dollars (\$1,000,000).

The parties may add other terms and conditions through subsequent project task orders or, if said terms and conditions would vary from those set forth in the Contract, through subsequent amendments to the Contract.

E. Compensation Terms

1. Overview – The City shall compensate the Contractor for providing the required services set forth herein, plus any ancillary, supportive or complementary services

deemed necessary by the City, to the City's full satisfaction. The compensation for any ancillary, supportive or complementary services requested by the City shall be subject to negotiation and mutual agreement between the parties. The compensation structure will vary by phase as described below.

2. Phase 1 – For Phase 1, the City will pay the Contractor for services provided by the Contractor on a *time and materials* basis. Under this arrangement, the City will pay the Contractor professional fees for actual time incurred by the Contractor in accord with the hourly rate schedule set forth herein and reimburse the Contractor for any actual out-of-pocket expenses incurred by the Contractor in connection with this Contract. The approved professional rate schedule for Phase 1 is as follows:

Phase 1 – Maximum Hourly Rates by Position

Position	Rate
Program Director/Transition Director	\$115
Field Operations Manager	\$65
On-Street Parking Coordinator	\$45
Human Resource Supervisor	\$40
Administrative Support Specialist	\$35
Program/Management Analyst	\$30
Revenue Control/Security Specialist	\$30
Parking Management Consultant	\$90

Unless the parties agree otherwise in writing, the maximum professional fees and expenses payable for Phase 1 are two hundred thousand dollars (\$200,000.00). The City will not compensate the Contractor for any fees or expenses unless the Contractor can document to the City's satisfaction that they were actually incurred in connection with the required Phase 1 services.

3. Phase 2 – For Phase 2, the City will pay the Contractor for services provided by the Contractor on a *cost plus* basis. Under this arrangement, the City will pay Contractor a monthly service fee for performing the required services for the most recently completed month. The monthly service fee will include three components:

- Cost reimbursement for actual direct operating costs incurred by the Contractor in compliance with generally accepted accounting principles for governmental entities and an annual budget approved in advance by the City;
- Management fee equal to seven percent (7.0%) of the actual operating costs approved by the City (i.e., the base service costs); and
- Performance incentive for increasing the Parking Division's net operating income for on-street parking meter programs.

The monthly performance incentive will be equal to ten percent (10%) of any actual and verifiable incremental increase in the Parking Division's net operating income for the Contractor's assigned programs for the most recently completed month, where the City shall determine net operating income in accordance with generally accepted accounting principles, subject to audit, up to a maximum amount of nine thousand dollars (\$9,000) for each month. In addition, at the end of Phase 2, the City may pay the Contractor a

one-time performance incentive for the satisfactory completion of Phase 2 performance targets as set forth herein. The one-time Phase 2 performance incentive shall be equal to five percent (5%) of any actual and verifiable incremental increase in the Parking Division's net operating income for the Contractor's assigned programs for the full Phase 2 term or the most recently completed consecutive twelve months of Phase 2, whichever is less, where the City shall determine net operating income in accordance with generally accepted accounting principles for governmental entities, subject to audit. The one-time Phase 2 performance incentive shall not exceed ninety thousand dollars (\$90,000). If the City increases rates, the Parties will adopt adjustment factors for reducing operating income for that portion of the increase due to increased rates, using a factor of seventy-five percent (75%) of the rate increase until such time the Parties agree otherwise.

As a condition precedent to the commencement of Phase 2 the parties shall agree in writing on the maximum monthly compensation payable for Phase 2. The City will not compensate the Contractor for any costs unless the Contractor can document to the City's satisfaction that they were actually incurred in connection with required Phase 2 services and in full compliance with the approved operating budget for Phase 2.

4. Phase 3 – For Phase 3, the City will pay the Contractor for services provided by the Contractor on a *net operating income sharing* basis. Under this arrangement, the City will pay the Contractor a monthly concession fee for the required services comprising two components—1) a fixed unit cost for every metered and non-metered on-street parking space managed by the Contractor producing net operating income and 2) an incentive payment equal to a certain percent of net operating income. The monthly concession fee for Phase 3 will be determined by the Parties based on the results of Phase 2 and incorporated in the budget submitted by the Contractor and approved by the City before the commencement of Phase 3. The Parties must agree on a monthly concession fee for Phase 3 as a condition precedent to the commencement of Phase 3.

In order to be eligible for compensation, the Contractor must submit to the City detailed invoices for payment, in full accord with the format, timing and manner of invoices specified by the City. The City shall compensate the Contractor no more than the unit costs and maximum amounts specified in this Project Task Order. All compensation paid by the City pursuant to this Project Task Order shall be subject to the availability of funds and the City's budgetary approval and encumbrance of said funds.

IN WITNESS WHEREOF, the parties hereto have executed this Project Task Order carrying out the objectives of the contract referenced herein.

President and CEO, Duncan Solutions, Inc.

Parking Commission of the City of St. Louis



Michael J. Nickolaus



Larry C. Williams, Chairman

ATTEST: Authorized by the Parking Commission on the 26th day of March, 2009.

Appendix A

Meter Management Service Requirements by Phase

Phase	Summary of Service Requirements
Phase 1	<ul style="list-style-type: none"> ▪ Interview & assess all existing employees in meter management units ▪ Inventory & assess operating status, functionality & condition of all meters, meter vaults, key controls, lock & key sets & all other meter peripherals ▪ Design & recommend responsive & preventative meter maintenance program ▪ Attend meetings & perform other duties as required by City
Phase 2	<ul style="list-style-type: none"> ▪ Furnish, hire, train, evaluate, discipline, supervise & control all meter management personnel ▪ Ensure that all appropriate on-duty employees wear City-approved uniforms ▪ Install, replace, remove & redeploy meters & restructure routes as required by City ▪ Implement meter rate & time conversions in accord with City directives ▪ Implement & maintain comprehensive, rigorous security/revenue control program (e.g., surveillance, salting, key controls & audits) & conduct other required security measures ▪ Fully equip all collections teams (e.g., furnish secure, cart-mounted cash collection boxes) ▪ Collect, audit, safeguard, record, transport, deposit (with City security provider), account for & report all meter revenues per City specifications (e.g., method, frequency, routes & account) & during collections, audit all meters, empty every canister & immediately report all broken, missing, defaced meters & all other meter faults & outages to dispatch unit ▪ Maintain accurate inventory of existing meters, meter vaults, collection routes, key controls, lock & key sets & other meter peripherals & other assets ▪ Implement & maintain responsive & preventative maintenance program for all meters ▪ Continually monitor operating status of all meters, conduct regular preventative maintenance, respond promptly to reported faults & outages, diagnose & resolve meter issues in field, promptly repair inoperative meters & keep meters fully operational (as defined by City) ▪ Use & recommend upgrades to City-provided office space, vehicles, meters, meter peripherals, uniforms, maps & other required resources for supporting meter operations ▪ Ensure City access to meter management system, track, maintain & report all City-required meter data, prepare & issue City-required management reports & monitor program performance ▪ Attend meetings & perform other City-required duties
Phase 3	<ul style="list-style-type: none"> ▪ Furnish, hire, train, evaluate, discipline, supervise & control all meter management personnel ▪ Furnish all field personnel with City-approved uniforms, identification means & other supplies ▪ Furnish, install, replace, remove & relocate parking meters, make meter rate/time conversions & maintain working inventory of components to support meter repairs as required by City ▪ Implement & maintain comprehensive, rigorous security/revenue control program (e.g., surveillance, salting, key controls & audits) & conduct other required security measures ▪ Fully equip all collections teams (e.g., furnish secure, cart-mounted cash collection boxes) ▪ Collect, audit, safeguard, record, transport, deposit (with City security provider), account for & report all meter revenues per City specifications (e.g., method, frequency, routes & account) & during collections, audit all meters, empty every canister & immediately report all broken, missing, defaced meters & all other meter faults & outages to dispatch unit ▪ Maintain accurate inventory of existing meters, meter vaults, collection routes, key controls, lock & key sets & other meter peripherals & other assets ▪ Implement & maintain responsive & preventative maintenance program for all meters ▪ Continually monitor operating status of all meters, conduct regular preventative maintenance, respond promptly to reported faults & outages, diagnose & resolve meter issues in field, promptly repair inoperative meters & keep meters fully operational (as defined by City) ▪ Furnish all office space, meter collection & maintenance vehicles, uniforms, keys, canisters, carts, maps & other resources required by City for supporting operations ▪ Ensure City access to meter management, track, maintain & report all City-required meter data, prepare & issue City-required management reports & monitor program performance ▪ Attend meetings & perform other City-required duties

Appendix B

Other On-Street Parking Management Service Requirements by Phase

Phase	Summary of Service Requirements
Phase 1	<ul style="list-style-type: none"> ▪ Interview & assess all existing employees in relevant organizational units ▪ Review & recommend improvements to staffing plans (e.g., organization chart, positions, qualifications, compensation, staff deployment, staff schedules & training) ▪ Analyze & recommend improvements to laws, regulations, policies & procedures ▪ Analyze other aspects of operating environment (e.g., demand, occupancy & customer patterns) ▪ Analyze & recommend improvements to meter rates, classification system & operating hours by district, zone & block, meter deployment & other meter management practices (e.g., collection routes, maps & schedules, revenue/security controls) ▪ Analyze & recommend improvements to on-street parking signage, booting & non-metered parking programs (e.g., residential/commercial permit, special event, validation & valet programs) ▪ Inventory, assess & recommend improvements to all other City resources required for on-street parking programs (e.g., office space, vehicles, uniforms & other operational resources) ▪ Recommend feasible opportunities for integrating technology & communications innovations & other best practices to enhance cost-effectiveness of all on-street parking programs ▪ Review & recommend improvements to on-street parking management reports, public information program & customer communications practices
Phase 2	<ul style="list-style-type: none"> ▪ Furnish ample personnel & technology support for non-metered on-street parking programs, dispatch operations & other City-required program support functions ▪ Train all staff using structured training program, including classroom, field, on-line & webinar training components with testing & certification ▪ Design, implement & supervise full array of non-metered on-street parking programs (e.g., residential/commercial permit, special event, validation & valet programs) ▪ Supervise booting program to extent required & authorized by City ▪ Continually analyze all aspects of parking operating environment as required by City, recommend improvements to laws, regulations, policies & procedures & on-street parking signage ▪ Continually update & enhance staffing plans (e.g., organization chart, positions, qualifications, compensation, staff deployment, staff schedules & training) ▪ Design & help implement improvements to meter rates, classification system & operating hours by district, zone & block, meter deployment & other meter management practices (e.g., collection routes, maps & schedules, revenue/security controls) ▪ Analyze, recommend, design & help implement improvements to dispatch & communications system & program for on-street parking management programs & enforcement programs ▪ Operate central dispatch function to expedite communications & responses among field technicians, supervisors & office, coordinate field activities & deploy resources ▪ Collect all non-meter revenues from on-street parking programs & secure, record, document, deposit, account for & report all revenues in compliance with City requirements ▪ Continually develop, maintain & analyze meter audit results & other program data ▪ Analyze revenue trends using & reconcile with coin count totals ▪ Perform comprehensive parking studies as directed by City (e.g., turnover, occupancy, technology, infrastructure, organizational & revenue analyses) ▪ Design, prepare, analyze & submit comprehensive City-required management reports (e.g., daily, weekly, monthly & annual meter inventory maintenance, operating, revenue, performance & dashboard reports on-street parking management reports) ▪ Design & help implement new public information program & customer communications practices ▪ Subject to City approval, prepare standard operating policies & procedures, distribute to all relevant personnel & keep all employees apprised of any changes ▪ Provide maintenance & custodial service for assets & resources under Contractor's control ▪ Attend meetings & perform other duties as required by City

Appendix B (cont.)
Other On-Street Parking Management Service Requirements by Phase

Phase	Summary of Service Requirements
Phase 3	<ul style="list-style-type: none"> ▪ Furnish ample personnel & other required resources for non-metered parking programs, dispatch operations & other City-required program support functions ▪ Train all staff using structured training program, including classroom, field, on-line & webinar training components with testing & certification ▪ Supervise full array of public on-street non-metered parking programs, including residential, commercial, special event, validation & valet parking permit programs ▪ Supervise booting program to extent required & authorized by City ▪ Continually redesign, update and improve routes, route maps & route schedules ▪ Operate central dispatch function to expedite communications & responses among field technicians, supervisors & office, coordinate field activities & deploy resources ▪ Implement & maintain comprehensive security & revenue control program (e.g., surveillance, salting, key controls & audits) conduct & other required security measures ▪ Collect all revenues from non-metered on-street parking programs & secure, record, document, deposit, account for & report all revenues per City requirements ▪ Continually develop, maintain & analyze meter audit results & other program data ▪ Analyze revenue trends using meter audit results & reconcile with coin count totals ▪ Perform comprehensive parking studies as directed by City (e.g., turnover, occupancy, technology, infrastructure, organizational & revenue analyses) ▪ Prepare, analyze & submit comprehensive management reports as required by City ▪ Subject to City approval, prepare standard operating policies & procedures, distribute to all relevant personnel & keep all employees apprised of any changes ▪ Provide maintenance & custodial service for Contractor-furnished assets ▪ Attend meetings & perform other duties as required by City

**CONTRACT BETWEEN THE CITY OF ST. LOUIS AND
CITATION MANAGEMENT, INC.**

Exhibit B – Optional Contract Service Requirements

A. Overview of Requirements

As part of its long-term strategy to build and maintain a first class public parking program and improve other important services, the City may engage the Contractor to deliver certain Optional Services in accordance with its requirements as defined herein. Such Optional Services may include the following services:

- Parking Ticket Issuance Services
- Parking Ticket Processing Services
- Secondary Collection Services
- Administrative Adjudication Services

The City shall determine the Optional Services it needs to enhance the parking violation program or other related municipal services. At any time during the course of this contract, the City may issue a written Project Task Order to the Contractor specifying the Optional Services that it requires, the compensation it agrees to pay the Contractor for said services and any other terms and conditions. As necessary, the City may also request a proposal for any of the services described herein reflecting revisions in the scope and cost specified herein. Upon accepting the City's Project Task Order, the Contractor shall deliver the Optional Services requested by the City in accord with the terms therein. The Optional Services are described in more detail below.

B. Parking Ticket Issuance Services

The Contractor, if authorized by the City, shall operate the City's parking ticket issuance program. This program has the following objectives:

- Promote the effective flow of traffic;
- Maintain adequate accessibility to on-street parking spaces;
- Meet daily parking enforcement officer (PEO) productivity standards based on best practices in large US cities, the assigned beats and other appropriate criteria determined by the City and approved by the Contractor; and
- Enhance citizen services and overall public relations.

The Contractor shall issue all or part of the parking tickets issued by the Parking Division. If Parking Division personnel continue to issue any parking tickets, the City would designate the beats that would be enforced by Parking Division staff. Police Department officers would continue to issue some parking tickets.

Regardless of the areas to be enforced, the Contractor's services shall include the following:

- Provide overall supervision of parking enforcement activities in accordance with applicable ordinances, policies and procedures;
- Analyze on-street parking enforcement conditions and recommend program improvements at least once per year;
- Maintain documentation of, suggest improvements to, and keep employees fully informed of all standard operating policies and procedures;
- Design efficient parking enforcement patrol beats and routes for all regulated parking areas and keep PEOs fully informed of all parking enforcement laws and guidelines;
- Employ a sufficient number of PEOs to ensure adequate parking enforcement coverage for all regulated parking areas and times (initially, the PEO staffing contingent shall include at least 30 full-time equivalents);
- Provide sufficient dispatching staff to operate the communications system and support the enforcement beats at all times;
- Hire, supervise, evaluate and discipline all parking enforcement personnel and ensure that they are properly trained, uniformed and equipped while on duty;
- Rigorously enforce all applicable parking laws and regulations for all regulated parking areas during all enforcement days and hours required by the City (initially this shall be from 7:00 am to 7:00 pm Monday through Saturday excluding City holidays);
- Record, control, report and monitor all parking violations, and issue parking tickets, in accordance with the City's requirements;
- Obtain and record all tickets issued by Contractor PEOs, Parking Division PEOs and City Police Officers within one business day of issuance;
- Monitor and report the operating status of parking meters and keep City representatives informed of maintenance needs;
- Maintain an effective booting and towing program, including the prompt booting and towing of vehicles meeting scofflaw status as defined by local law and policies;
- Provide immediate access to all violation-related information;
- Prepare and distribute printed enforcement-related materials as requested;
- Provide timely support for effective adjudication proceedings; and
- Attend City meetings pertaining to enforcement issues as requested.

The Contractor shall provide the above services in full accordance with objectives, plans, policies and procedures approved by the City.

The Contractor recognizes that the enforcement of parking regulations must be accomplished in a satisfactory manner so as to engender good public relations for the City. As such, it shall ensure that all of its employees are properly dressed and friendly and courteous to all customers during all enforcement hours. It shall ensure that its PEOs are fully trained, uniformed and equipped to carry out their enforcement duties. The Contractor may, from time to time, propose changes in staffing levels for City approval, as demand for parking services change.

The Contractor shall provide qualified and sufficient supervision during all operating hours. At a minimum, this shall include a full-time manager and assistant manager. The manager or assistant manager must be on site at any time PEOs are on duty. Both must be available by telephone or beeper when they are not on site. The manager must have at least five years of experience managing a comparable parking enforcement program. The

assistant manager must be qualified to supervise staff and serve as manager in the manager's absence. The City reserves the right to approve or require the removal of the manager or assistant manager at any time.

The Contractor shall provide the City with comprehensive parking violation management reports. At a minimum, these reports should include enforcement beat activity, enforcement officer performance, parking ticket analysis, ticket void analysis and parking ticket collection reports. All reports should be generated monthly (including cumulative year-to-date totals). The enforcement beat activity and enforcement officer performance reports also must be generated on a weekly basis.

C. Parking Ticket Processing Services

The Contractor, if authorized by the City, shall provide all parking ticket processing services, including ticket data entry (excluding the provision of automated ticket issuance devices), ticket processing, payment processing, notice processing, customer service, adjudication support and enforcement support services. These services, which shall entail the processing of all parking tickets, from initial data entry through ultimate disposition, are described in more detail below.

1. Ticket Data Entry

The Contractor shall obtain all parking ticket data from the City's parking enforcement operations in an effective and efficient manner. The Contractor shall provide a flexible and cost-effective system for capturing ticket issuance data from manual tickets and automated ticket issuance devices. The Contractor shall provide sufficient capabilities to support the City's efforts to control parking ticket inventory, prevent un-accounted for tickets and minimize voided parking tickets, as well as supervise all data entry activities, including keypunching ticket data and verifying inputs for quality assurance. It shall ensure the integrity of the ticket inventory process, including the accurate transmittal and updating of all manual and electronic citations.

The Contractor shall provide the following ticket data entry services:

- Manual Ticket Data Capture
- Automated Ticket Data Capture
- Ticket Control & Inventory
- Voided Ticket Management

The Contractor shall be responsible for all data entry activities, including keypunching ticket data and verifying inputs for quality assurance. The Contractor shall be responsible for all costs associated with picking up and delivering tickets, including but not limited to courier service costs. The Contractor shall help the City adopt fully automated Total Remittance Processor (TRP) technology to ensure efficient mail-in payment processing. This effort will entail the redesign of tickets to include optical character recognition (OCR) scan lines. The Contractor will assist the City in the redesign of citation notices to OCR scan lines on all citation notices.

In providing ticket data entry services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

2. Ticket Processing

The Contractor must provide an automated parking ticket management system for processing, controlling and managing all parking ticket information from initial parking ticket issuance to final disposition. This system shall support the City's parking enforcement program and provide the City with useful, accurate and timely information.

The Contractor shall provide the following ticket processing services:

- Parking Ticket Database
- Violator Ticket Database
- Data Quality
- DMV Interface
- DMV Data Request
- Split Registration
- Ticket Screening
- Data Access
- Data Updates & Security
- Transaction Reporting
- Fee Calculation
- Activity Scheduling
- System Linkages

The Contractor's quality controls shall effectively govern all aspects of the database records, from accuracy of data keyed to the system to systematic edits on data transmitted from outside sources (e.g., DMVs). The Contractor shall provide automated tables to support automated and flexible activity scheduling, and tailor table-driven rules for governing transaction timing and all ticket processing functions to the City's specifications.

The Contractor shall take all reasonable measures to determine the responsible party for accurate collection efforts, including vehicle make and ownership-issuance date matching, reduce the turnaround time on name and address requests to DMVs, ensure the accuracy of records obtained from DMVs and achieve high owner name/address hit rates. The Contractor shall establish and maintain effective relationships with departments of motor vehicles (DMVs) in Missouri, Illinois, the other 48 states and appropriate Canadian provinces. The Contractor shall obtain the most current motor vehicle registration information (e.g., owner name and address) from Missouri, Illinois and the five other states with the most violations in the City in the most expeditious manner available (e.g., data file purchase and automated system interface). The Contractor shall maintain complete and accurate documentation of DMV processing requirements, including interface specifications, data formats and registration update schedules. The data

exchange interfaces (e.g., file transfer protocol, tape-to-tape or manual transfer) should satisfy state requirements, but should be automated wherever possible.

In providing ticket processing services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

3. Payment Processing

The Contractor shall provide comprehensive and convenient payment services and capabilities for the receipt and accounting of all parking ticket walk-in, mail-in, telephone and Internet payments. The Contractor shall provide payment processing operations that make payments as convenient and user-friendly as possible and ensure the timely and accurate application of payments and employ a holistic approach that coordinates the design of ticket stock, notices and envelopes is compatible with the design of unique payment processing application software and the City's needs.

The Contractor shall provide the ability to accept payments from violators in a wide variety of modes, including walk-in, mail-in, telephone (using an IVR system), Internet (through a dedicated website), check, credit card (at least Visa and MasterCard), and automated check/bank drafts. It shall provide sufficient resources, including all facilities, equipment and personnel necessary to support all such payment modes.

The Contractor shall provide a sufficient number of automated, point-of-sale cashier terminals (ACTs) for processing and recording all walk-in payments in an on-line, real time mode. Initially, the Contractor shall provide at least four (4) ACTs. At a minimum, these ACTs shall perform the following functions:

- Immediately post all payments to the parking ticket database by appropriate transaction factor (e.g., ticket number, violator name, violation date, vehicle license plate state/number and vehicle registration state/number);
- Facilitate payment inquiries on individual tickets by transaction factor;
- Display payment activity by transaction factor;
- Display total payment receipts by cashier and terminal for reconciliation control;
- Provide on-screen prompts for amount paid and change due;
- Perform on-line cash adjustments for current/previous processing days; and
- Facilitate the payment of miscellaneous fees.

The ACTs shall seamlessly process multiple transaction types, including parking violations, moving violations, other code violations and other City payment transactions. The Contractor shall enable all cashiers to work in an off-line/local mode during any interruptions in communications. Each ACT shall contain full logical security and financial controls (e.g., password controls, segregated cash out feature, segregated totals by payment form and full audit trail on ticket).

The Contractor will assume full responsibility for mail-in payment processing services, including armed courier service. The Contractor shall establish a local facility and post office box for managing the receipt, recording and deposit of mail-in payments. The

Contractor shall employ a lock box service approved by the City, such as United Missouri Bank (UMB)'s lockbox services used by the City as of the date of contract execution. This service shall expedite the processing and deposit of payments into a bank account approved and controlled by the City, and in accordance with procedures approved by the City. The Contractor shall maintain sufficient staff to process all lockbox payments on a timely basis and provide bonded couriers to pick-up up any mail in accordance with the City's approved schedule. The Contractor shall provide adequate reports to fully account for all payments and deposits.

The Contractor shall provide a full service, user-friendly telephone call center facility, and all required hardware, software and technology, for handling the City's current and potential volume of telephone payments. The Contractor shall provide sufficient resources to ensure that all persons who so desire can make payments by telephone. The Contractor's Integrated Voice Response System (IVRS) shall automatically accept payments 24 hours-per-day, 7 days-per-week and be fully integrated with the Contractor's parking ticket management system and database.

The Contractor shall provide and maintain a fully integrated and secured pay-by-web site service to allow customer payment of parking citations via the Internet. The web site shall accept credit card payments, automatically credit the customer's account in the Contractor's parking violation management system and transfer monies into the appropriate accounts. The Contractor shall provide appropriate firewalls and data encryption technology to protect the security of all Internet-based data and transactions, and generate suitable reports and audit trails to monitor system performance. The Contractor shall provide the requisite interface with the credit card clearinghouse to obtain real-time authorizations and eliminate charge-backs.

The Contractor shall open, maintain and pay the costs of the required merchant services accounts, subject to City approval, provided that the City will reimburse the Contractor for those costs specified as reimbursable costs in the contract. The Contractor will take all reasonable measures (e.g., negotiate competitive "discount fees" based on national transaction volume, request the cardholder's zip code and implement the Security Code feature found on new credit cards) in order to minimize any "discount fees."

The Contractor shall be fully responsible for the accuracy and integrity of the deposit process. It will research and correct any shortage or overage related to a deposit within 24 hours of deposit, and pay the City any deposit shortage that cannot be corrected. The Contractor also shall confirm and reconcile fund transfers as per the City's standards and resolve any discrepancies.

The Contractor will provide a special code for adjustment type (e.g., non-sufficient fund checks refunds, and clerical adjustments) to automatically determine how the transaction will affect the ticket's status in the system. The Contractor will strive to apply all difficult-to-apply payments to the database, so that they can be tracked and accurately applied to the correct ticket when any missing information is provided by the customer. It shall ensure that all such payments are deposited to the City's account when received, and any subsequent application transaction occurs with full audit trails.

The Contractor shall tailor its payment process to any City-specified needs (e.g., the length of the waiting period, the specific reapplication rules and the need to send a letter to the customer before generating the refund). In addition, the Contractor will implement innovations as needed to improve the application of payments (e.g., printing of an OCR-readable ticket number on both handwritten and hand-held ticket stock and the use of OCR scan lines on all notices).

In providing payment processing services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

4. Notice Processing

The Contractor shall be responsible for issuing all violation, collection and adjudication notices required by the City before secondary collection activities commence. It shall provide a noticing function that is timely, accurate and fully functional, with flexible automated notice generation capabilities, best notice design and production practices and effective complex notice mailing processes.

The Contractor shall print and mail the notices required to alert vehicle owners of current liabilities and any additional liabilities that will result from a continued failure to pay. The Contractor shall generate and mail three notices for each unpaid citation in accordance with City and state requirements before the citation is assigned for delinquent account management.

The Contractor shall notify violators of pending violations, outstanding liabilities, scheduled hearings and potential consequences of inaction in accordance with the City's approved policies, procedural requirements (e.g., sequence and timing) and formats (including content). The City shall specify or approve the form, content, sequence and timing of all notices and letters sent to violators. The Contractor shall be responsible for all costs associated with mailing or sending such notices, including form and envelope design and production costs, as well as postage and related postal billing costs, except as otherwise provided herein.

In providing notice processing services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

5. Customer Service

The Contractor shall provide effective walk-in, telephone, Internet and correspondence services and sufficient personnel, equipment and other resources to expeditiously handle all public requests.

The Contractor shall provide the City with a strong customer service program that will ensure convenient, timely and reliable service in full compliance with City laws and policies. This program will include the following features:

- A locally-based customer service staff thoroughly trained in City policies and procedures and the Contractor's process, and responsive respond to walk-in, written and telephone inquiries
- A sophisticated ticket processing system with strong integrated customer service tools
- Proven procedures and techniques for handling a high volume of customer contacts
- Improved customer access to information and service including a Integrated Voice Response System (IVRS) and Internet-based services that will accommodate growing demand over the life of the contract
- Detailed, written Standard Operating Procedures, developed in cooperation with the City and approved by the contract manager, that instruct staff in handling City-specific service requests
- Full batch controls and audit trails ensuring that all correspondence is processed and all transactions are recorded in the system
- Quality assurance and management reporting tools that facilitate monitoring of workloads and performance against contractual standards

The Contractor shall provide sufficient resources to handle all public complaints, inquiries and service requests in a prompt, courteous and professional manner, including walk-in, call center and Internet facilities as described below.

The Contractor shall develop a customer service plan for operating and staffing the central service facility and any other service centers requested by the City. The Contractor will work with the City to gather as much information as possible regarding walk-in service demands and maintain service records to enable it to adjust its base line service plan to the City's dynamic service conditions, needs and initiatives (e.g., rising ticket volume, booting/towing offensives, administrative adjudication and registration holds). The customer service plan will include a walk-in service strategy that fully considers future issuance trends, the impact of administrative adjudication and registration holds, potential workload increases, and any changes to the City's notice and penalty schedule.

The Contractor shall maintain staffing levels sufficient to provide excellent customer service and meet the City's performance standards. The Contractor and its subcontractors will recruit highly qualified personnel from the St. Louis area and fully train all personnel in the Contractor's customer service requirements and aspects of the City's parking laws, policies and practices. The Contractor will use, and make available to the City, measurement tools to monitor speed-of-service and customer service quality. The Contractor will develop, subject to City approval, customer service manuals for guiding staff in assessing and resolving service requests. All Customer Service Representatives (CSRs) will have online access to these manuals and will be evaluated periodically on the accuracy and appropriateness of the information they provide and the actions they take.

The Contractor shall establish a central service center for parking violations at a site approved by the City within 60 days of contract execution, and operate it as a full service, one-stop center where citizens can receive a variety of services. The central service center shall be responsible for performing all required parking ticket management program functions specified herein, and managing all resources committed to the successful achievement of the City's objectives. The Contractor shall staff the service

centers and resolve all walk-in customer service requests during regular operating hours designated by the City (initially 7:30 am to 6:00 pm Monday through Friday, except for holidays, and, as directed by the City, 8:30 am to 1:00 pm on Saturdays). The Contractor shall provide adequate physical security for all equipment, files, cash, checks, tickets and other items located at the service centers, and maintain its service centers in full compliance with applicable City standards.

The Contractor shall provide all correspondence services required by the City. It will develop a comprehensive library of specially tailored letters that reflect the City's governing legislation, policies and business rules. All letter types and text, the ultimate menu of letters, and the text of each will be determined and formally approved by City staff.

The Contractor shall provide a full service, user-friendly telephone call center facility, and all required hardware, software and technology, for handling the City's current and potential volume of parking-related telephone calls. The Contractor shall provide sufficient resources to ensure that all persons with parking-related concerns can make toll-free calls, have their calls answered promptly and obtain information or assistance, make payments or schedule hearings. The Contractor shall handle and record all such telephone calls in accord with guidelines approved by the City and document facility performance, including dropped calls. The Contractor will create customized scripts to answer calls and provide citizens with consistent, accurate information, subject to City approval.

The Contractor's telephone call center facility shall include an Integrated Voice Response System (IVRS) that automatically handles all incoming phone calls, takes messages, provides accurate and reliable account information and accepts payments 24 hours-per-day, 7 days-per-week. The IVRS shall be fully integrated with the Contractor's pay-by-phone service and parking ticket database. In addition, the IVRS shall automatically track all key performance indicators (e.g., incoming calls, processed calls, IVRS-processed calls, operator-processed calls, disconnected calls by type, busy calls, average wait time per call and average call time). The facility shall include a TTY line for hearing-impaired inquiries.

The Contractor shall provide and maintain a dedicated web site in accord with applicable City standards to provide accurate and current parking violation data to the public and accommodate customer payments. The web site shall interface directly with the Contractor's parking violation management system and provide any data required by the City to its customer's needs (e.g., pending violations, scheduled court appearances and outstanding fees). The Contractor shall work with the City to expand the data and services that customers may access via the parking Web site.

In providing customer service services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

6. Adjudication Support

The Contractor shall support the City's parking violation adjudication process by providing on-line adjudication management, scheduling and related support services. The Contractor shall provide the staffing to schedule hearings, notify defendants of the date, time and location of the scheduled hearings by first class mail, and provide all case information required for scheduled hearings.

The Contractor shall provide a comprehensive, easy-to-use, flexible and fully integrated system to enable scheduling, notify defendants of hearing dates, times, and locations, record the outcomes of the hearings and maintain statistics. Its system shall provide complete scheduled hearing functionality and provide easy access to a multitude of customized resources and tools for the hearing process. This includes an online, real-time scheduled hearing application in a secured and integrated processing environment, the display and adjustment of hearing schedules and preparation of complaint documents. The system shall provide the ability to process pre-scheduled and walk-in hearings and includes complete reporting and audibility. It will train Court staff on system usage.

The Contractor shall provide full capabilities to interact effectively with the City's Court, support hearing officers and judges and facilitate the adjudication process (e.g., case folder preparation and full case retrieval, access, display and update capabilities for judges or hearing officers). The Contractor's system will provide the capability to enter disposition transactions by code, for a single ticket or for all tickets adjudicated in a case.

In providing adjudication support services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

7. Enforcement Support

The Contractor shall support the City's special enforcement programs for special violation groups, including corporate fleets and individual scofflaws, by providing targeted enforcement support services.

The Contractor shall design and help the City implement a special parking ticket management program for companies with large vehicle fleets (e.g., delivery, utility and rental companies). This program will enable participating companies to pay or adjudicate their outstanding tickets on a consolidated basis. The Contractor's system shall be fully integrated with the parking ticket database and effectively process, record and allocate all parking tickets issued to leased, rental and fleet vehicles, and support the adjudication of such violations and collection of related fines in connection with such vehicles.

The Contractor shall support the City's vehicle immobilization and impoundment programs for scofflaws. In accordance with the City's requirements, the Contractor's system shall identify and target offenders with multiple delinquent violations, ensure the accurate and immediate posting of payment data and ensure the timely notification of the City's boot and tow teams of the current status of said scofflaws. The Contractor shall download its scofflaw list or "hot list" from its parking ticket management system to the

TIDs, and provide a manual scofflaw list or “hot list” to parking control officers no less frequently than once per day.

The Contractor shall provide additional technology to support the City’s vehicle immobilization and impoundment programs. This technology shall include on-line, real time inquiry support— five mobile digital terminals (MDTs)—for City booting, towing and other parking enforcement personnel, such as:

- Towing requests for booted vehicles;
- Inventory of all towed vehicles in impound lots;
- Calculation and display of boot/tow/storage fees; and
- Parking ticket management system updates.

The Contractor’s towing and booting support technology shall be integrated with the parking ticket management system to ensure that any relevant transactions, payments and other case dispositions update booting and towing lists accurately and immediately. The Contractor also shall establish effective system and operational interfaces with the City’s Police Department to help parking enforcement personnel identify stolen vehicles.

The Contractor will be responsible for providing all hardware, software, and communication components necessary to implement and maintain the Mobile Scofflaw software application that supports MDT functionality. The MDT system will reduce reliance on paper report driven functions and make information immediately available to boot and tow crews in the field. The MDT system will expedite response time to specific boot and tow issues. The Contractor shall assume responsibility for the maintenance of software, hardware, and communications equipment during the normal business hours of the operation for the term of the contract.

In providing enforcement support services, the Contractor shall satisfy the City’s detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

8. Reporting Requirements

The Contractor shall provide comprehensive, accurate, detailed, useful and timely parking violation management reports in accordance with formats, guidelines and frequencies determined by the City. These reports shall depict all parking violation activity (e.g., data entry, processing, noticing, collections and disposition activity) and include all parking management data required by the City (e.g., tickets issued, payments received, notices generated, disposition activity by type and collection rates).

The Contractor shall design all required reports to be issued on a wide variety of levels of detail ranging from detailed daily transaction reports to strategic, multi-year trend analysis reports focusing on key performance targets. Reports will be generated for various date ranges including daily, weekly, monthly, quarterly, semi-annual or specified date ranges. The reporting system shall generate cumulative reporting from monthly reports only. Required daily hard copy reports will be delivered to the City by 10:00 a.m. the next

business day and required monthly reports will be delivered to the City within 10 days from the end of the month.

Monthly reports can display year-to-date totals. Within each report group, data will be collated in three high-level categories: detail, summary, and management overview. The detail level reports will provide complete transaction information at the lowest functional level reporting fields such as agency, ticket writer, violation code, location code, administrative disposition, court disposition, notice type, payment type, fleet code, processor ID and many other fields. These reports can be used for the reconciliation, control, and monitoring of daily transactions and day-to-day operations.

The Contractor shall provide all authorized Contractor and City personnel full and immediate access to the management reports specified by the City. The Contractor shall ensure quick and easy desktop access to the required management reports using browser-based software and easy-to-use report indices and summary report formats. At a minimum, this on-line access to the management reports shall require linking PC workstations to the Contractor's system through the City's network. The Contractor shall give City staff the ability to print reports and save reports onto disks for future use.

The Contractor shall provide comprehensive, detailed and current documentation for all vendor system resources and City parking ticket transactions. This documentation shall include daily vendor production schedules, activity records (e.g., tickets processed, documents generated, notices mailing, inquiries received and DMV transactions). The Contractor shall maintain an effective system for recording, monitoring and resolving all citizen complaints and inquiries, and maintain a performance reporting system to track and resolve customer service problems as they arise.

The Contractor shall provide a user-friendly, ad hoc report writer feature to enable the City to access and analyze data online, and design and generate custom desktop reports. The City should have the ability to print ad hoc reports at City sites or the Contractor's local service center. All files from which reports shall be run must be kept available and accessible to the City for additional analysis. Upon receiving a City request to produce an ad hoc report, the Contractor shall, to the extent practical, assist the City in designing the report at no additional cost to the City. Upon request, the Contractor must train a core group of City staff in the design, use and interpretation of management reports produced by the System, and consult with City staff regarding ad hoc reports, at no additional cost to the City.

The Contractor shall provide all management reports required by the City, as outlined in the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

In order to meet the City's management reporting requirements, the Contractor shall submit its planned initial Management Reporting Structure to the City for approval no later than 90 days from the date of contract execution. The City will review the Contractor's planned initial Management Reporting Structure, suggest changes as needed and approve the initial Management Reporting Structure (with any desired changes)

within twenty (20) business days. If the City's reporting needs change over the course of the contract, the City shall submit recommended changes to the initial Management Reporting Structure to the Contractor. The Contractor shall have the flexibility to accommodate any reasonable recommended changes at no cost to the City.

9. Parking Ticket Management System

The Contractor shall provide all computer hardware, software, equipment and other technology required to provide all ticket processing functions as defined herein, as well as support the City's other parking enforcement activities (e.g., booting, towing and registration suspension). The Contractor shall provide an automated, comprehensive, on-line, real time, user-friendly, reliable, integrated, flexible and auditable parking ticket processing information and management system (hereinafter the System).

The System shall administer the processing, controlling, and managing of all parking ticket information from the initial issuance of a parking ticket to the final disposition. The System shall process all parking program functions, including:

- Parking Ticket Processing
- Notice Processing
- Payment Processing
- Cash Management
- Collections
- Boot and Tow
- Registration Suspension
- Customer Service
- Adjudication Support

The System shall also support citation issuance, handwritten citation data entry, hand-held citations uploads, on-line payments, dispositions and adjustment/suspend transactions, name/address updates and required management reports. The System will provide proven, core functionality while supporting enhanced system features.

The System shall use table-driven decision logic to enable users to quickly and easily adapt to new policies and regulations. The System shall use processing tables with entries for fines, fees, noticing requirements, system edits, "next action" logic and other such business parameters to control processing functions wherever possible.

The Contractor's System shall bring all required information to the desktop to support the Core Services. The System shall display all information that is required by users to perform required tasks (e.g., ticket inquiry, state/registration inquiry, notice inquiry, tow inquiry, boot eligibility, and fleet program maintenance). The System shall provide online, real-time access to all ticket data, vehicle registration owner data, and a complete record of all processing actions, status of administrative reviews and hearings, and customer interactions.

The System's architecture shall be robust and redundant (based on single record license plate and ticket data). The System shall use proven Windows- or browser-based application software. The System shall encompass an integrated local computer network that includes PC-based cashiering terminals, graphic user interfaces (GUI), and other LAN applications. The System shall have a web-enabled user interface with a user-friendly, point-and-click design with drop-down menus and hyperlinks to navigate the system. The System shall include a database for providing fast system response time when performing real time updating and displaying information, obtaining name and address data from Missouri, Illinois and other DMVs, accurately monitoring financial and operational performance, and providing prompt and efficient customer service. The Contractor shall be responsible for all database management functions (e.g., data changes, data updates, data integrity analysis and reporting and file purge processing). It shall employ proven, robust and secure commercial database software.

The Contractor shall be responsible for all data communications. It shall provide all communications network hardware and software necessary to ensure immediate access to the database for all authorized users, including at least 12 designated City users at approved City workstations (e.g., Treasurer's Office, Municipal Court, City Counselor's Office and Comptroller's Office). The communications network shall include all components required to maintain continuous System operations, seamlessly link all System hardware, browsers and databases (including linkages to City systems at REJIS, Treasurer and Municipal Courts) and ensure prompt data downloads and uploads. The Contractor's network shall comply with all applicable City standards (e.g., user name and password conventions, IP addressing schemes, domain and directory services structures, logon script processing, wide area network technology, local area network structure and desktop configurations).

The Contractor shall ensure that all technology it uses to serve the City is reliable and shall maintain system availability of at least 98 percent. The Contractor's data center(s) shall be adequately protected against any power interruptions or surges. The Contractor shall provide a continuous, around-the-clock help desk support facility to expedite the prompt identification and resolution of system performance problems. This facility shall include a toll-free number staffed by experienced technical support personnel and an automated problem tracking and resolution system. To minimize system downtime, the Contractor shall provide a responsive and efficient process to diagnose, replace or repair any component that fails to perform to specifications.

The System must be fully operational and licensed, and not require any development or modifications to support the City's needs. It also shall be sufficiently flexible and modular to accommodate the City's projected transaction volumes and facilitate easy modifications should they be required. The Contractor shall operate at least one sophisticated, state-of-the-art data center to meet the City's functional requirements, with adequate flexibility to meet significant increases in the City's needs.

When the Contractor makes upgrades to its System, it shall perform adequate testing and promptly notify the City of the test results. The Contractor's testing shall entail comprehensive system acceptance services, including system demonstration, system testing, user acceptance testing and system modification testing. The Contractor shall

effectively and fully document all systems and make timely enhancements to all system software. It shall provide the City with current, detailed system documentation, including but not necessarily limited to, system user manuals describing each system component, functional manuals describing the use of each system component in the context of day-to-day job duties, and any forms or documents that must be completed by staff or customers. The Contractor shall provide such upgrades and documentation to the City at no cost to the City. The Contractor shall provide at least one (1) year's written notice of any intent to terminate its support or maintenance of the system.

The Contractor shall provide all computer hardware necessary for Contractor, City and other appropriate System users to access the System or otherwise satisfy the functional requirements set forth herein. The Contractor shall provide robust client/server computers for running large applications, processing online, real time inquiries, interfacing with other computer systems and storing vast quantities of data. The Contractor shall provide a full PC-based network with at sufficient computer terminals, memory, hard drive and disk drive capabilities and security controls to meet service demands, including at least 12 dedicated PCs for City users in the Treasurer's Office, Municipal Court, City Counselor's Office and Comptroller's Office. The Contractor also shall provide at least two full-page laser printers capable of printing any screen available on the computer terminals and two routers.

The Contractor shall provide all hardware and software set forth in the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

D. Secondary Collection Services

The Contractor, if authorized by the City, shall provide an automated collection program and make diligent, cost-effective efforts to collect the delinquent accounts assigned by the City. The Contractor shall provide the following secondary collection services:

- Account Analysis
- Owner Identification
- Skip Tracing
- Notice Dunning
- Telephone Dunning
- Registration Suspension
- Registration Renewal
- Collection Reporting

The City shall define delinquent accounts as any parking tickets not fully paid (excluding cases with approved payment plans) within the time period specified in the City's parking violation management policies. Initially, the City shall designate delinquent accounts as all accounts still unpaid fifteen (15) calendar days after the mailing of the third notice. Assuming that the third notice is issued within 75 days of issuance, an account would be defined as delinquent no later than 90 days after the date of ticket issuance. The City will determine the initial noticing schedule during the implementation phase and, thereafter,

the City and Contractor may agree to change this schedule at any time. After receiving a delinquent account from the City, the Contractor shall initiate secondary collection activities to collect all associated parking violation fines, late payment penalties and other costs approved by the City.

In order to maximize the collection of delinquent accounts (i.e., those assigned for secondary collection activity), the Contractor shall establish and maintain effective relationships with departments of motor vehicles (DMVs) in Missouri, Illinois, the other 48 states and appropriate Canadian provinces. The Contractor shall obtain the most current motor vehicle registration information (e.g., owner name and address) from Missouri, Illinois and the five other states with the most violations in the City in the most expeditious manner available (e.g., data file purchase and automated system interface).

The Contractor shall maintain complete and accurate documentation of DMV processing requirements, including interface specifications, data formats and registration update schedules. The data exchange interfaces (e.g., file transfer protocol, tape-to-tape or manual transfer) should satisfy state requirements, but should be automated wherever possible. The Contractor shall maintain DMV success rates for Missouri and Illinois and all other states in the aggregate as specified in the contract.

The Contractor shall employ the secondary collection techniques specified herein and any others tailored to the City's needs to maximize the delinquent accounts it collects and create a credible deterrent to violator unresponsiveness. Subject to the City's prior written approval, the Contractor may use any other reasonable secondary collections methods not prohibited by law. When the State of Missouri enacts legislation authorizing the suspension of vehicle registration or driver licenses for scofflaws (i.e., violators with a specified number of outstanding and uncontested parking tickets), the Contractor shall employ this tool to collect delinquent parking tickets.

The Contractor shall initiate secondary collection activity for the City's backlog of unpaid parking violations account receivables (i.e., those accounts deemed delinquent at the time of contract execution) in accordance with the implementation plan approved by the City. The City may conduct an analysis of the accounts receivable before it authorizes the Contractor to initiate secondary collection activity. The City may decide to create an amnesty program to expedite the collection of said accounts and minimize the amount of data to be converted. Before initiating secondary collections for backlog accounts, the Contractor shall obtain any necessary parking violation data from the current collections contractor or REJIS at no cost to the City.

In providing delinquent account management (secondary collection) services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

E. Administrative Adjudication Services

The Contractor, if authorized by the City, shall staff and support the City's administrative adjudication program for parking violations. The objectives of this program shall be to

provide customers an informal process for disputing their parking violations and free judicial resources to concentrate on other municipal violations.

These services shall include the provision of hearing officers. All Contractor-employed hearing officers will meet or exceed specific requirements to be determined by the City prior to and during employment by the Contractor as hearing officers for the City. The City will provide all required office space, office furniture, office equipment, high-speed internet connections, City network connections, telephones and telephone services required for operation of an administrative adjudication program.

The Contractor shall use the adjudication support system provided by the City's ticket processing vendor. The Contractor's hearing officers will use this system to review document images, enter dispositions, generate correspondence and support any other task required to conduct and close an administrative adjudication hearing. The hearing officer will review the citation status at the completion of the hearing. The hearing officer shall enter the hearing results, exhibits and witnesses, and any other required record changes, into the system and generate a fully detailed decision notice and plus any required correspondence for the claimant.

The Contractor shall regularly review administrative adjudication hearing reports generated by the system. These reports shall detail hearing transactions by type, functional area, and user, and include such reports as: administrative adjudication by issuance, hearings requested, scheduled and re-requested, administrative adjudication completion date, dismissal by PEO, suspend rate, disposition refunds and hearing disposition analysis. The Contractor shall periodically run database queries on available hearing records to identify significant operating trends and support recommendations for improving the administrative adjudication process.

F. Implementation

Upon obtaining the City's authorization to provide Optional Contract Services, the Contractor shall develop and submit an Implementation Plan for implementing Optional Contract Services authorized by the City. Upon obtaining the City's approval of the Implementation Plan for Optional Contract Services, the Contractor shall implement the required Optional Contract Services in accordance with the approved Implementation Plan. Except as otherwise agreed to by the parties, the Contractor shall implement all Optional Contract Services no later than ninety (90) days after it receives the City's authorization to implement said services.

**CONTRACT BETWEEN THE CITY OF ST. LOUIS AND
CITATION MANAGEMENT, INC.**

Exhibit A – Core Contract Service Requirements

A. Overview of Requirements

The Contractor shall provide, complete and deliver all Core Contract Services, including the provision, maintenance and expansion of automated ticket issuance devices (TIDs). These Core Contract Services are described in more detail below.

B. Initial Core Contract Services

1. Overview

The Contractor shall be solely responsible for the design, manufacture, delivery and implementation of all TIDs and related components in accordance with the specifications set forth herein. In the event that any components are manufactured by other sources, the Contractor shall assume full responsibility for their selection, installation and performance. All TIDs and TID components shall be thoroughly tested and proven in the field. As required by the City, the Contractor shall provide all services required to deliver the automated TIDs. These services are described in more detail below.

2. Automated Ticket Issuance System

The Contractor shall provide a fully automated parking ticket issuance system, including sufficient portable, hand-held and automated TIDs, and associated components and materials, to enable all of the City's parking enforcement officers (PEOs) to issue automated parking tickets in accord with the City's approved policies and procedures. Initially, the Contractor will deliver the following TID system components:

- Thirty five (35) AutoCITE Series 3 Handheld Ticket Issuance Computers;
- One (1) Master Charger/Multiplexer;
- Eight (8) AutoCite Charger/Multiplexers and all cables, connections and other components required to ensure effective TID system operations;
- One (1) AutoIssue Host PC and one (1) local printer (with UPS battery back up and surge protection); and
- AutoISSUE Citation Management Software.

The Contractor shall provide the City with one (1) AutoCITE Software License (single site version). The Contractor understands that the number of TIDs or related components may increase due to the City's future hiring and staff deployment decisions.

The Contractor shall ensure that every TID it provides the City is fully operable when deployed. The TIDs shall be mobile, self-contained, one-piece computers of durable construction. They shall be lightweight (under 2.25 pounds with paper installed), easy to read, easy to carry and easy to use by PEOs. Each TID field unit shall include a

computer, integrated printer, battery pack and enough supplies for each PEO to issue at least 120 tickets per shift without requiring a carrying case.

The TIDs and integrated printers shall be rugged, ergonomically designed, moisture-resistant and capable of operating without interruption in the City's external environment, including low temperatures, high humidity levels and significant temperature fluctuations (-20 to 140 degrees F). The integrated printer shall ensure quick, simple loading and the printing of durable legible tickets. The TIDs shall meet or exceed the City's environmental requirements.

The City's other TID requirements include the following:

- Provide a full, 55-key alpha-numeric keyboard (with clearly-labeled, appropriately spaced and pressure-sensitive keys) that maximizes PEO accuracy and speed, provides the convenience of tactile, key-based data entry and multiple keyboard options, and facilitates single-key stroke entry with data prompts, stored data fields and verification routines;
- Provide a quarter panel touch-sensitive VGA display readable in all weather and lighting conditions with adequate display and keyboard backlighting;
- Maintain accurate date, time and ticket number data on an automated, real-time basis;
- Maintain all other standard data in memory (e.g., officer name, badge number, beat code, issuing agency and standard violation, street and vehicle codes) and print it automatically on tickets;
- Automatically capture all relevant data for newly-issued tickets (e.g., ticket number, date and time, registration state and number, vehicle class code, meter number, meter malfunction code, violation code, officer identifier, and fine amount);
- Automatically issue an easy-to-read and -handle ticket (not to exceed 3 inches wide by 6 inches long) that is impervious to, or protected from, snow, rain, sunlight, changes in temperature and other adverse environmental conditions;
- Enable and track the easy correction and re-issuance of tickets;
- Support the immediate identification of boot- and tow-eligible vehicles;
- Activate audible signal when user presses wrong keys or enters information that is on one of the stored data lists;
- Use re-chargeable batteries with adequate battery capacity to power all equipment for at least two eight-hour shifts and provide low battery monitor to warn user when power is low and should be recharged;
- Ensure adequate data integrity, recoverability, storage and memory including expandable flash memory capability; and
- Provide flexible programming and effective communications capabilities.

The TID shall contain (be programmed with) the Contractor's ticket issuance and management software application. This software shall provide a Windows (or equivalent) software platform with convenient, user-friendly screen navigation features (e.g., scroll bars, drop down menus and table/list functionality) and sufficient flexibility to support future customization and growth. This software also shall provide sufficient functionality for issuing parking tickets, recording vehicles parked in time limit zones

within a 24-hour period, identifying scofflaw or tow-eligible vehicles and recording duty status. The major functional features of this software are summarized in the table below.

Key Functional Capabilities for TIDs

Factor	Minimum Service Requirement
Date & Time Recording	Use TID real time (standard) clock to provide date & time stamps for all operational functions, including vehicle tag number observations, over-timing vehicles at meters & ticket issuance; synchronize internal clock daily with AutoIssue Host PC & standard City time as used by the City's data network
Programming & Data Storage	Pre-program & automatically store & pre-fill all required data fields (e.g., street names, meter locations, vehicle makes & models) & include all other required data (e.g., scofflaw lists & stolen plates); provide pre-programmed tables with two-character abbreviation codes for all states & Canadian provinces (set default set at MO), at least 1,000 standard vehicle make, color & body style codes, at least 15,000 streets, blocks & lots, all street names by hundred-block, all meter number locations, at least 1,000 standard non-moving (parking) violations, including all time limit, overtime & residential zone parking functions, 1,000 stored tickets & at least 1,000 stored printable & non-printed remarks
Ticket Issuance	Prompt PEO through entire violation entry process; enable PEO to enter first 1-2 letters of location & scroll through street names, or enter other appropriate characters from internal tables, to streamline data entry; provide search mode function; enable PEO to manually override data in specific fields as identified in Technical Design Document when internal tables are incorrect or insufficient & correct ticket information prior to issuance; enable PEO to automatically print violation description, code & fine on ticket upon entry of violation code; support time limit parking enforcement; prevent issuance of incomplete ticket without acknowledgement by issuing PEO; enable PEO to void ticket prior to completion, but record all data including reason for void (in-field ticket cancellation); automatically generate PEO's name and/or ID number on each ticket; automatically provide unique ticket serialization to prevent duplication of ticket numbers; provide barcode printing on tickets
Scofflaw enforcement	Store 75,000 to one million hot sheet licenses, plats, persons & permits; automatically search scofflaw file when plate number is entered & alert PEO of any match; record all scofflaw hits & capture for reporting purposes
Other PEO Functions	Provide permit/plate cross-reference, meter location matrix function; support warning issuance; support abandoned vehicle enforcement; enable PEO to report incidents in field (e.g., meter outages or defects, missing or damaged signs); automatically log PEO activity
Data Transfer	Start database update process after connecting TIDs to chargers/multiplexers; upload data from the TIDs via interfaced chargers/multiplexers to PC; use communication protocol to exchange data with TIDs & allow simultaneous application & data updates to/from TIDs; allow simultaneous update, query & battery replenishment of TIDs; export data to TID System via an agreed-upon process &, after update, produce report on local PC showing citation data exported to processing system & supporting reconciliation of exported data from local PC to processing system data & verify every point of data exchange to help ensure that no citations are lost during upload process
Downloading Specialized Files	Download specialized database files (e.g., tow-eligible or boot-eligible vehicle data) on regular basis during upload/charging cycle; obtain scofflaw data & other license plates that match City's boot & tow criteria from system master file & transmit to local PC; download new scofflaw file (& any other files City needs on TIDs), replacing any previous file
Management Reporting	Provide daily activity report for each PEO; provide comprehensive management reports, including PEO productivity & activity reports & flexibility to manipulate & import data into user-specified formats; make all data available for viewing & reporting after appropriate update cycles; record all citation productivity data on TIDs & upload to central database server; provide suite of reports that provide meaningful information & provide ad hoc enforcement reporting capability

The TIDs shall store all parking ticket data for automatic transfer to the parking ticket management system at shift end or sooner.

The Contractor shall provide a comprehensive, fully functioning Automated Ticket Issuance System (hereinafter referred to as the TID System). The TID System shall comprise all hardware components and citation management software, including all completed programs, screens, database connections, interfaces, objects, object library, SQL calls and procedures, required to make the TIDs acquired by the City fully operational and interfaced with the City's parking ticket processing system.

The Contractor shall provide a Dell PENTIUM PC or comparable IBM-compatible PC approved by the City as the AutoISSUE Host PC System. The AutoISSUE Host PC will have sufficient power to support and process daily up to 64 AutoCITEs, with multiple charger/multiplexers, and process 25,000 to 15,000,000 tickets on the AutoISSUE Systems database at any one time. The AutoISSUE Host PC design provides the flexibility to make daily changes to stored data lists, including vehicle makes and styles, streets, meters and blocks, violations and remarks.

In order to eliminate the need for back office data entry of ticket data, the Contractor's system shall provide an automated interfacing system for downloading all data from the TIDs to the City's parking ticket management system. This interfacing system shall automatically and quickly unload the ticket data, generate daily activity reports, download updated data for the next shift and charge the TID. The Contractor shall supply sufficient charger/multiplexers to support the TIDs. The charger/multiplexers will allow simultaneous communications between multiple units and the host TID system.

The data shall be transferred from the TIDs to the AutoISSUE PC Host System through an interface charger/multiplexer connected to the AutoISSUE Host PC. The AutoISSUE Host PC then transfers new daily information received from the processing system (e.g., fee changes, list changes or new Hot Lists) to the TIDs while they are simultaneously charging. The data transfer process takes 1 minute per 200 tickets per TID. Each charger/multiplexer can support and process sixteen TIDs. Once ticket data is transferred from the TIDs, daily management reports are then available from the AutoISSUE Host PC for immediate reference by PEOs and supervisors.

The Contractor's AutoISSUE Citation Management Software shall provide several functional features, including:

- One violation per citation control;
- Up to two late fees;
- Scofflaw and hot sheet processing;
- Time limit marking;
- 1D barcode printed on citation;
- Meter location and permit/plate cross referencing;
- Officer activity logging; and
- Broken meter and damaged sign reporting.

The Contractor's Citation Management Software shall provide a comprehensive list maintenance capability with the ability to maintain officer, issuing agency, beat, street, lot, meter location, violation, state code, vehicle make, color and body style, plate/permit

cross-reference and stored remarks lists. It shall enable the City to generate several standard reports, including Violation Summary, Violation Summary by Officer, Violation Summary by Area (Beat), Officer Productivity, Violation Print-Out, Disposition Code, Activity Log, Meter Status, Damaged Sign, Void Reasons, Citation Audit Trail, Mark Mode and Handheld Usage reports. In addition, the Contractor shall provide an ad hoc reporting capability through the AutoCITE System's Paradox-designed data-base formatting capability for DOS and Interbase-designed database for WINDOWS. Using the Paradox or Interbase database, the City shall have a cost-effective tool for producing reports beyond the AutoCITE system's standard reports.

The Contractor warrants that it will provide the City with the highest quality TID System and components. The Contractor will warranty the AutoCITE System for the first year of the contract. This warranty encompasses all hardware and all software, and guarantees replacement of hardware within two (2) days while the Contractor completes any necessary repair work.

Under the warranty plan, the City shall send a defective or malfunctioning unit via second day air to the Contractor with an appropriate Return Material Authorization (RMA) number. Immediately upon receiving the returned unit, the Contractor shall determine whether the unit should be repaired or replaced and, after making this assessment, repair and return the unit to the City or send a loaner unit to the City via an express overnight/next day shipping service approved by the City within forty-eight (48) hours. Upon receiving the replacement unit from the Contractor, the City shall return the loaner unit via ground delivery service within two business days. The Contractor shall pay all shipping costs. The City is only responsible for equipment damages or losses caused by the negligence or theft of the equipment by City employees.

3. TID Implementation

Overview – The Contractor shall design, configure, test, deliver and implement the necessary TID's and associated base stations, telecommunications equipment and other components. The implementation of the Core Contract Services will likely occur in three phases as summarized in the table below.

Summary of Contractor Implementation Phases & Estimated Duration

Phase	Projected Tasks	Duration
Requirements Analysis	Planning & execution of initial design meetings Clarification of City requirements for TID System Development of implementation plan for City approval Design of AutoCITE citation format for City approval Preparation of Technical Design Document for City approval Development of test plan for City approval	30 days
Configuration & Testing	Delivery of AutoCITE/AutoISSUE Emulator for City review Testing of AutoCITE/AutoISSUE Emulator for City approval Complete configuration & preliminary testing of TID system. Completion of final TID system testing Preparation & submittal of testing report for City approval Training program development for City approval Hardware, software & citation paper delivery	30 – 60 days
Installation,	Installation of TID system & components at City	3 – 5 days

Exhibit A – Contract to Implement Automated Ticket Issuance Devices

Training & Implementation	Field testing of TID system & components Training of City personnel Commencement of TID use in field	
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The implementation effort will minimize disruption to the City’s parking enforcement operation.

It is vital that the Contractor implement the Core Contract Services (and Optional Contract Services should they be requested) on a timely basis. Time is of the essence for this contract. Except as otherwise agreed to by the parties, the implementation of these services shall be successfully completed by the Contractor within ninety (90) days of City approval of the Technical Design Document and AutoCite parking citation format.

Since time is of the essence for the completion of this contract, the Contractor shall pay the City as implementation performance credits against any amounts due Contractor (as reported by the Contractor on its subsequent invoice) for each day of delay caused by the Contractor. For the purpose of this provision, a delay shall be defined as commencing when ten (10) business days have elapsed after the Contractor has failed to provide a product or service in compliance with the approved Implementation Plan and failed to provide the City with sufficient notice and explanation of the reasons therefore. The implementation performance credits shall be \$200 per calendar day for the first thirty (30) calendar days of delay and \$500 per calendar day for each day of delay thereafter, provided, however, that in no event shall the aggregate value of the implementation performance credits exceed ten percent (10%) of the total contract cost. After ninety (90) calendar days of delay, the City may declare this contract null and void, and the Contractor shall be entitled to no compensation for any prior work.

In the event that there are delays caused by the City or other circumstances beyond the Contractor’s control that could materially affect the completion date, the Contractor shall request an extension of time for completion of the project. The City shall review the request and, if it is in the City’s best interests, may grant to the Contractor a reasonable extension of time to complete the implementation.

Implementation Planning – The Contractor shall develop a detailed Implementation Plan, including a task schedule, milestones and specific strategies for expediting critical transition activities, and submit said plan for City approval. The Contractor shall submit the Implementation Plan for Core Contract Services within ten (10) business days of contract execution. Upon obtaining the City’s approval of the Implementation Plan for Core Contract Services, the Contractor shall implement the required Core Contract Services in accord with the Implementation Plan as it is initially approved or as it may be amended by joint agreement of the parties. It shall promptly report project status, including any anticipated deviations from plan, to the City and recommend corrective action. All material deviations from the implementation plan must be mutually agreed upon by both parties and approved in advance, in writing, by the City.

Project Management – The Contractor shall provide professional project management acceptable to the City during all stages of implementation. Subject to prior City approval, the Contractor shall assign specific individuals as principal project members who shall be responsible for all implementation work during the term of this contract. Removal of any

principal project member without the prior written approval of the City constitutes grounds for termination by the City. The Contractor shall be responsible for enforcing the performance of its subcontractors and inspecting their work and products, and make all necessary arrangements with its subcontractors to integrate their work and ensure the harmonious, timely and satisfactory completion of project tasks

The Contractor shall coordinate all work through the City's designated contract representative. The Contractor shall not proceed with any task without specific authorization from the City's designated contract representative. The City's designated contract representative shall provide the Contractor with timely access to any information from City documents required to complete the work described herein, ensure the timely participation of City personnel for training and implementation purposes, and provide timely feedback on any issues and decisions required to help ensure success of the work described herein.

The Contractor shall report the progress of its work, and provide written reports, to the City in a frequency and manner recommended by the Contractor and approved by the City. The Contractor shall be fully informed of, and strictly comply with, all laws, rules and orders of any properly-constituted authority affecting this contract. Authorized representatives of the City may at any time review any part of the work to ascertain whether such laws, rules or orders are being followed. The Contractor shall procure all permits and licenses, pay all charges and fees, including fees for street permits, and give notices when necessary.

System Design, Modification and Configuration – The Contractor shall configure the TID System, including the TIDs and software programs, to meet the City's requirements for its unique operating environment within the scope of this agreement. During the Requirements Analysis Phase of implementation, the Contractor shall review the City's requirements for the TID System and prepare a Technical Design Document defining those requirements and how the TID System shall meet those requirements. The Technical Design Document shall include a detailed description of the TID System design and configuration components plus the following:

- Approval Signatures and Open Item Action Plan;
- AutoCITE/AutoISSUE fields, attributes & validation rules;
- Export Control Document (processing system data transfer fields and attributes);
- AutoISSUE Host PC System Information (equipment configuration, dimensions, diagrams and connectivity considerations);
- Citation Mockups (preprinted paper, envelopes, citation data layout);
- System Lists (list tracking matrix and copies of system list data); and
- Additional Processing Considerations (hot sheet list format considerations).

Any and all changes and clarifications to the TID System requirements set forth herein, including any customization required by the City to the base AutoISSUE System to meet requirements contained herein, will be included in the Technical Design Document. The Contractor shall then obtain the City's approval of the Technical Design Document. Once the City has approved the Technical Design Document, no enhancements will be

made to the AutoISSUE System until the system is operational without the prior written approval of both parties.

After approval of the Technical Design Document, the Contractor's first configuration deliverable is the AutoCITE Emulator. The AutoCITE Emulator is a software tool which simulates functionality of an electronic Ticket Issuance Device, including citation issuance, electronic chalking, search capability and broken meter reporting. This tool may be installed on a desktop PC for functionality validation and may also be used for on-going training. Generally, all contracted modules, fields, attributes, rules and issuance handling requirements are built into the Emulator. The Emulator functionality is then verified prior to commencing additional software configuration.

The Contractor will configure the AutoISSUE software to support the creation and transfer of daily electronic files of new parking citations downloaded from the AutoCITE TIDs for transfer to the City's parking citation processing system. These files will be in a mutually agreed upon format. It will be the joint responsibility of the City and the Contractor to ensure the effective transfer and uploading of these files to the City's citation processing system.

The City will provide electronic files of scofflaws and stolen vehicles in a mutually agreed upon file format and the Contractor will configure the AutoISSUE software to ensure the effective up loading of these files to the AutoISSUE system and AutoCITE TID's. During implementation, the City will provide the Contractor with electronic or paper files of all key data elements required for configuration of the TID System (e.g., violation codes, street list and parking meter inventory). After implementation, the Contractor will train City personnel to maintain those files in the AutoISSUE software. Should the City elect to export electronic files of the key data elements from the City's citation processing system for automated update of the AutoISSUE software, such electronic files must be in a format approved by the Contractor and placed in the appropriate system folder on the AutoIssue System by the City.

TID Training and Documentation – As part of its implementation services, the Contractor shall provide sufficient on-site training to all City PEOs to ensure that they can effectively and efficiently use the TIDs. The Contractor shall develop a Training Plan for the TIDs and, upon obtaining the City's approval for that plan, complete all training activities in accordance with that plan. The Contractor shall provide all system documentation, user guides and training materials in an easy to read format, with concise instructions for performing all tasks, and update these documents as processes change.

The Contractor shall provide sufficient training of appropriate City staff to ensure their understanding of the operation of the Contractor's systems and products. Training will be carried out in accord with the Training Plan using professional user manuals or other suitable materials approved by the City. The Contractor will conduct on-site training for at least two (2) days during the installation and initial start up of the TID System, including a classroom session for the City's PEOs and field training in the use of TIDs. The Contractor also will train the approved City staff on downloading citations and transferring data to and from the TID System and maintaining system lists.

The Contractor shall provide complete system documentation, including professional user manuals, in accordance with the approved Implementation Plan. This documentation shall include appropriate written and on-line technical and user documentation (e.g., detailed instructions for City staff on how to accurately enter data, perform queries, generate and interpret reports and perform other parking enforcement management functions). This documentation shall be customized to meet the City's needs and incorporated into the training of City staff. The Contractor shall provide standard documentation updates to the City for the contract term at no additional cost to the City.

TID Testing and Acceptance – Before commencing any testing, the Contractor shall deliver a Testing Plan outlining the testing activities for City approval. The Testing Plan shall define the scope of testing and specific test cases for the TIDs, and performance standards for the acceptance testing instrument.

The Contractor shall test all system components to be delivered under this contract in conformance with the Testing Plan prepared by the Contractor and approved by the City. The Contractor shall work with the City and the City's parking violation processing vendor to design, develop, test and implement the interfaces necessary to upload ticket data from the City's new TIDs. Once the TID configuration is in place, the Contractor shall fully test its TID interface and assist the parking ticket processing vendor with its interface activities. For instance, the Contractor will upload batches of parking tickets from the base station, loading the tickets records onto the test database, and updating various test transactions to the parking ticket records.

When the Contractor completes its testing, it shall notify the City in writing that the TIDs and base system will operate under actual conditions in conformance with the requirements. The Contractor must issue a written Testing Report to the City prior to application for final City acceptance. The City shall review the Contractor's Testing Report, conduct acceptance tests as deemed necessary and approve or reject the Contractor's test findings. If no deficiencies are found or, in the event deficiencies are found and satisfactorily corrected, the City shall notify the Contractor of final acceptance within thirty (30) days of receiving the Contractor's Testing Report or notice that the deficiencies have been satisfactorily corrected, whichever occurs later. The City's final acceptance of the TID System shall mean the City's formal acknowledgement that the Contractor has successfully installed the TID hardware, software and components so as to ensure their effective operation in accord with the City's requirements, including any required interaction with the City's ticket processing system.

All work deemed unacceptable by the City will be documented and reported to the Contractor for correction. The Contractor shall correct all deficiencies at its own expense within ten (10) business days of notification. The City will complete any required follow-up test within ten (10) business days of receiving written notice from the Contractor that all deficiencies have been corrected. If the Contractor is unable to correct all deficiencies to the City's satisfaction, the City shall have the option to order the Contractor to remove the deficient components, or replace them with comparable components from the same manufacturer, at no additional cost to the City. If the City selects this remedy, the Contractor will pay all costs related to and resulting from said replacement.

The failure of the Contractor to install and test the TIDs satisfactorily and secure the City's final acceptance in conformance with the terms herein and the approved implementation plan shall constitute defective work. Inspection and testing shall not relieve the Contractor of its obligation to furnish superior materials and workmanship in accordance with the Contract. Final acceptance by the City shall not relieve the Contractor of its responsibilities under any warranty provisions herein.

After final acceptance, the City may conduct periodic tests to verify the conformance of installed products and completed work to the requirements. If subsequent testing or operation of the TID System demonstrates that the TID System is deficient, the City shall notify the Contractor of the TID System's failure to perform. Within thirty (30) working days of receipt of such notice, the Contractor shall, at its own cost, use its best efforts to correct the identified problem so that the TID System performs according to the City's requirements. If, after thirty (30) working days of receiving the City's written notice of failure to perform, the Contractor has failed to correct the deficiency or provide a correction plan acceptable to the City, the City may terminate this contract for cause.

C. Ongoing Core Contract Services

1. Overview

The Contractor shall provide several ongoing Core Contract Services to the City, including technical support and maintenance and system enhancements. The Contractor will designate a representative to coordinate ongoing Core Contract Services to the City. These ongoing services are described in more detail below.

2. TID Technical Support and Maintenance

After the initial warranty period expires, the Contractor shall provide a full-service TID technical support and maintenance program to give the City full assurance that the TIDs, all hardware and software, and any related components are always fully operational and properly maintained. Under this program, the Contractor shall maintain and service all TIDs and TID components as follows:

- Maintain a toll-free TID maintenance call center with help desk analysts during extended business hours to resolve TID System/component issues;
- Equip the local PCs with appropriate software to enable systems administration personnel to establish remote connectivity to resolve problems (the City will provide and support a broadband Internet connection at the locally installed PC's to facilitate the Contractor's remote connectivity);
- Conduct immediate call center diagnosis for any components requiring repair;
- Provide responsive and effective technical support from request through testing and turnover, for upgrades, troubleshooting equipment failures, servicing, repair and/or replacement of equipment and on-going training;
- Provide a four-hour response time on all TID-related service calls and respond to such calls and questions to the City's satisfaction;
- Provide any required on-site services within seventy-two (72) hours;

- Adjust, repair or replace any malfunctioning TIDs or TID components (as determined by the City) within forty-eight (48) hours of notification; and
- Maintain service histories for all TIDs and their related components; and
- Install all TID System upgrades, including all AutoIssue software upgrades.

The Contractor's full-service TID technical support and maintenance program shall include all parts and labor. The Contractor shall ensure that all of its employees and subcontractors possess the requisite capabilities to perform their assigned roles in a professional, effective and efficient manner (factory-trained or otherwise qualified service technicians).

Under the full-service TID technical support and maintenance program, the City and Contractor shall employ the procedures outlined herein. If a TID fails to operate in accord with the requirements set forth herein, the City shall send the defective or malfunctioning unit via second day air to the Contractor with an appropriate Return Material Authorization (RMA) number and request the Contractor to repair or replace the defective TID or TID parts. The City shall indicate in writing whether or not it was responsible for losing or damaging the defective TID due to its own negligence. Immediately upon receiving the returned unit, the Contractor shall determine whether the unit should be repaired or replaced and, after making this assessment, repair and return the unit to the City or send a loaner unit to the City via an express overnight/next day shipping service approved by the City within forty-eight (48) hours.

Upon receiving the replacement unit from the Contractor, the City shall return the loaner unit via ground delivery service within two business days. The City may reject or return any TID or related component that is not fully operational. The Contractor shall pay all shipping costs associated with items it sends to the City, but the City shall incur shipping costs for any defective units it sends to the Contractor. The City is only responsible for equipment damages or losses caused by the negligence or theft of the equipment by City employees.

In addition, as part of the full-service TID technical support and maintenance program, the Contractor shall furnish adequate supplies over the term of the contract to ensure that all deployed PEOs are fully equipped with operational TIDs at all times. These supplies shall include any required batteries and any required replacement parts, but ticket stock and envelopes shall be acquired separately as set forth herein.

3. Post-Implementation Upgrade, Enhancement and Expansion

The City may obtain TID System upgrades or enhancements through this contract. The Contractor shall notify the City of any available or planned TID System upgrades or enhancements. Upon receiving notice of available or planned TID System upgrades or enhancements, the City shall submit a written order to the Contractor. The Contractor will then provide the upgrades or enhancements ordered by the City. For the purpose of this provision, an upgrade is a TID System modification made by the Contractor that improves the TID System's operating performance but not its basic functionality while an enhancement is a TID System modification made by the Contractor that improves the TID System's operating performance and its basic functionality.

As the City's TIDs and related components become outmoded or obsolete, the City may replace its outmoded TIDs and components with new TIDs and components (e.g., TIDs with wireless technology) through this contract. Upon determining that it requires additional TID components, the City shall submit a written order to that effect to the Contractor. The Contractor will then provide the new components ordered by the City in accord with the pricing terms set forth in the contract.

**CONTRACT BETWEEN THE CITY OF ST. LOUIS AND
CITATION MANAGEMENT, INC.**

Exhibit B – Optional Contract Service Requirements

A. Overview of Requirements

As part of its long-term strategy to build and maintain a first class public parking program and improve other important services, the City may engage the Contractor to deliver certain Optional Services in accordance with its requirements as defined herein. Such Optional Services may include the following services:

- Parking Ticket Issuance Services
- Parking Ticket Processing Services
- Secondary Collection Services
- Administrative Adjudication Services

The City shall determine the Optional Services it needs to enhance the parking violation program or other related municipal services. At any time during the course of this contract, the City may issue a written Project Task Order to the Contractor specifying the Optional Services that it requires, the compensation it agrees to pay the Contractor for said services and any other terms and conditions. As necessary, the City may also request a proposal for any of the services described herein reflecting revisions in the scope and cost specified herein. Upon accepting the City's Project Task Order, the Contractor shall deliver the Optional Services requested by the City in accord with the terms therein. The Optional Services are described in more detail below.

B. Parking Ticket Issuance Services

The Contractor, if authorized by the City, shall operate the City's parking ticket issuance program. This program has the following objectives:

- Promote the effective flow of traffic;
- Maintain adequate accessibility to on-street parking spaces;
- Meet daily parking enforcement officer (PEO) productivity standards based on best practices in large US cities, the assigned beats and other appropriate criteria determined by the City and approved by the Contractor; and
- Enhance citizen services and overall public relations.

The Contractor shall issue all or part of the parking tickets issued by the Parking Division. If Parking Division personnel continue to issue any parking tickets, the City would designate the beats that would be enforced by Parking Division staff. Police Department officers would continue to issue some parking tickets.

Regardless of the areas to be enforced, the Contractor's services shall include the following:

- Provide overall supervision of parking enforcement activities in accordance with applicable ordinances, policies and procedures;
- Analyze on-street parking enforcement conditions and recommend program improvements at least once per year;
- Maintain documentation of, suggest improvements to, and keep employees fully informed of all standard operating policies and procedures;
- Design efficient parking enforcement patrol beats and routes for all regulated parking areas and keep PEOs fully informed of all parking enforcement laws and guidelines;
- Employ a sufficient number of PEOs to ensure adequate parking enforcement coverage for all regulated parking areas and times (initially, the PEO staffing contingent shall include at least 30 full-time equivalents);
- Provide sufficient dispatching staff to operate the communications system and support the enforcement beats at all times;
- Hire, supervise, evaluate and discipline all parking enforcement personnel and ensure that they are properly trained, uniformed and equipped while on duty;
- Rigorously enforce all applicable parking laws and regulations for all regulated parking areas during all enforcement days and hours required by the City (initially this shall be from 7:00 am to 7:00 pm Monday through Saturday excluding City holidays);
- Record, control, report and monitor all parking violations, and issue parking tickets, in accordance with the City's requirements;
- Obtain and record all tickets issued by Contractor PEOs, Parking Division PEOs and City Police Officers within one business day of issuance;
- Monitor and report the operating status of parking meters and keep City representatives informed of maintenance needs;
- Maintain an effective booting and towing program, including the prompt booting and towing of vehicles meeting scofflaw status as defined by local law and policies;
- Provide immediate access to all violation-related information;
- Prepare and distribute printed enforcement-related materials as requested;
- Provide timely support for effective adjudication proceedings; and
- Attend City meetings pertaining to enforcement issues as requested.

The Contractor shall provide the above services in full accordance with objectives, plans, policies and procedures approved by the City.

The Contractor recognizes that the enforcement of parking regulations must be accomplished in a satisfactory manner so as to engender good public relations for the City. As such, it shall ensure that all of its employees are properly dressed and friendly and courteous to all customers during all enforcement hours. It shall ensure that its PEOs are fully trained, uniformed and equipped to carry out their enforcement duties. The Contractor may, from time to time, propose changes in staffing levels for City approval, as demand for parking services change.

The Contractor shall provide qualified and sufficient supervision during all operating hours. At a minimum, this shall include a full-time manager and assistant manager. The manager or assistant manager must be on site at any time PEOs are on duty. Both must be available by telephone or beeper when they are not on site. The manager must have at least five years of experience managing a comparable parking enforcement program. The

assistant manager must be qualified to supervise staff and serve as manager in the manager's absence. The City reserves the right to approve or require the removal of the manager or assistant manager at any time.

The Contractor shall provide the City with comprehensive parking violation management reports. At a minimum, these reports should include enforcement beat activity, enforcement officer performance, parking ticket analysis, ticket void analysis and parking ticket collection reports. All reports should be generated monthly (including cumulative year-to-date totals). The enforcement beat activity and enforcement officer performance reports also must be generated on a weekly basis.

C. Parking Ticket Processing Services

The Contractor, if authorized by the City, shall provide all parking ticket processing services, including ticket data entry (excluding the provision of automated ticket issuance devices), ticket processing, payment processing, notice processing, customer service, adjudication support and enforcement support services. These services, which shall entail the processing of all parking tickets, from initial data entry through ultimate disposition, are described in more detail below.

1. Ticket Data Entry

The Contractor shall obtain all parking ticket data from the City's parking enforcement operations in an effective and efficient manner. The Contractor shall provide a flexible and cost-effective system for capturing ticket issuance data from manual tickets and automated ticket issuance devices. The Contractor shall provide sufficient capabilities to support the City's efforts to control parking ticket inventory, prevent un-accounted for tickets and minimize voided parking tickets, as well as supervise all data entry activities, including keypunching ticket data and verifying inputs for quality assurance. It shall ensure the integrity of the ticket inventory process, including the accurate transmittal and updating of all manual and electronic citations.

The Contractor shall provide the following ticket data entry services:

- Manual Ticket Data Capture
- Automated Ticket Data Capture
- Ticket Control & Inventory
- Voided Ticket Management

The Contractor shall be responsible for all data entry activities, including keypunching ticket data and verifying inputs for quality assurance. The Contractor shall be responsible for all costs associated with picking up and delivering tickets, including but not limited to courier service costs. The Contractor shall help the City adopt fully automated Total Remittance Processor (TRP) technology to ensure efficient mail-in payment processing. This effort will entail the redesign of tickets to include optical character recognition (OCR) scan lines. The Contractor will assist the City in the redesign of citation notices to OCR scan lines on all citation notices.

In providing ticket data entry services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

2. Ticket Processing

The Contractor must provide an automated parking ticket management system for processing, controlling and managing all parking ticket information from initial parking ticket issuance to final disposition. This system shall support the City's parking enforcement program and provide the City with useful, accurate and timely information.

The Contractor shall provide the following ticket processing services:

- Parking Ticket Database
- Violator Ticket Database
- Data Quality
- DMV Interface
- DMV Data Request
- Split Registration
- Ticket Screening
- Data Access
- Data Updates & Security
- Transaction Reporting
- Fee Calculation
- Activity Scheduling
- System Linkages

The Contractor's quality controls shall effectively govern all aspects of the database records, from accuracy of data keyed to the system to systematic edits on data transmitted from outside sources (e.g., DMVs). The Contractor shall provide automated tables to support automated and flexible activity scheduling, and tailor table-driven rules for governing transaction timing and all ticket processing functions to the City's specifications.

The Contractor shall take all reasonable measures to determine the responsible party for accurate collection efforts, including vehicle make and ownership-issuance date matching, reduce the turnaround time on name and address requests to DMVs, ensure the accuracy of records obtained from DMVs and achieve high owner name/address hit rates. The Contractor shall establish and maintain effective relationships with departments of motor vehicles (DMVs) in Missouri, Illinois, the other 48 states and appropriate Canadian provinces. The Contractor shall obtain the most current motor vehicle registration information (e.g., owner name and address) from Missouri, Illinois and the five other states with the most violations in the City in the most expeditious manner available (e.g., data file purchase and automated system interface). The Contractor shall maintain complete and accurate documentation of DMV processing requirements, including interface specifications, data formats and registration update schedules. The data

exchange interfaces (e.g., file transfer protocol, tape-to-tape or manual transfer) should satisfy state requirements, but should be automated wherever possible.

In providing ticket processing services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

3. Payment Processing

The Contractor shall provide comprehensive and convenient payment services and capabilities for the receipt and accounting of all parking ticket walk-in, mail-in, telephone and Internet payments. The Contractor shall provide payment processing operations that make payments as convenient and user-friendly as possible and ensure the timely and accurate application of payments and employ a holistic approach that coordinates the design of ticket stock, notices and envelopes is compatible with the design of unique payment processing application software and the City's needs.

The Contractor shall provide the ability to accept payments from violators in a wide variety of modes, including walk-in, mail-in, telephone (using an IVR system), Internet (through a dedicated website), check, credit card (at least Visa and MasterCard), and automated check/bank drafts. It shall provide sufficient resources, including all facilities, equipment and personnel necessary to support all such payment modes.

The Contractor shall provide a sufficient number of automated, point-of-sale cashier terminals (ACTs) for processing and recording all walk-in payments in an on-line, real time mode. Initially, the Contractor shall provide at least four (4) ACTs. At a minimum, these ACTs shall perform the following functions:

- Immediately post all payments to the parking ticket database by appropriate transaction factor (e.g., ticket number, violator name, violation date, vehicle license plate state/number and vehicle registration state/number);
- Facilitate payment inquiries on individual tickets by transaction factor;
- Display payment activity by transaction factor;
- Display total payment receipts by cashier and terminal for reconciliation control;
- Provide on-screen prompts for amount paid and change due;
- Perform on-line cash adjustments for current/previous processing days; and
- Facilitate the payment of miscellaneous fees.

The ACTs shall seamlessly process multiple transaction types, including parking violations, moving violations, other code violations and other City payment transactions. The Contractor shall enable all cashiers to work in an off-line/local mode during any interruptions in communications. Each ACT shall contain full logical security and financial controls (e.g., password controls, segregated cash out feature, segregated totals by payment form and full audit trail on ticket).

The Contractor will assume full responsibility for mail-in payment processing services, including armed courier service. The Contractor shall establish a local facility and post office box for managing the receipt, recording and deposit of mail-in payments. The

Contractor shall employ a lock box service approved by the City, such as United Missouri Bank (UMB)'s lockbox services used by the City as of the date of contract execution. This service shall expedite the processing and deposit of payments into a bank account approved and controlled by the City, and in accordance with procedures approved by the City. The Contractor shall maintain sufficient staff to process all lockbox payments on a timely basis and provide bonded couriers to pick-up up any mail in accordance with the City's approved schedule. The Contractor shall provide adequate reports to fully account for all payments and deposits.

The Contractor shall provide a full service, user-friendly telephone call center facility, and all required hardware, software and technology, for handling the City's current and potential volume of telephone payments. The Contractor shall provide sufficient resources to ensure that all persons who so desire can make payments by telephone. The Contractor's Integrated Voice Response System (IVRS) shall automatically accept payments 24 hours-per-day, 7 days-per-week and be fully integrated with the Contractor's parking ticket management system and database.

The Contractor shall provide and maintain a fully integrated and secured pay-by-web site service to allow customer payment of parking citations via the Internet. The web site shall accept credit card payments, automatically credit the customer's account in the Contractor's parking violation management system and transfer monies into the appropriate accounts. The Contractor shall provide appropriate firewalls and data encryption technology to protect the security of all Internet-based data and transactions, and generate suitable reports and audit trails to monitor system performance. The Contractor shall provide the requisite interface with the credit card clearinghouse to obtain real-time authorizations and eliminate charge-backs.

The Contractor shall open, maintain and pay the costs of the required merchant services accounts, subject to City approval, provided that the City will reimburse the Contractor for those costs specified as reimbursable costs in the contract. The Contractor will take all reasonable measures (e.g., negotiate competitive "discount fees" based on national transaction volume, request the cardholder's zip code and implement the Security Code feature found on new credit cards) in order to minimize any "discount fees."

The Contractor shall be fully responsible for the accuracy and integrity of the deposit process. It will research and correct any shortage or overage related to a deposit within 24 hours of deposit, and pay the City any deposit shortage that cannot be corrected. The Contractor also shall confirm and reconcile fund transfers as per the City's standards and resolve any discrepancies.

The Contractor will provide a special code for adjustment type (e.g., non-sufficient fund checks refunds, and clerical adjustments) to automatically determine how the transaction will affect the ticket's status in the system. The Contractor will strive to apply all difficult-to-apply payments to the database, so that they can be tracked and accurately applied to the correct ticket when any missing information is provided by the customer. It shall ensure that all such payments are deposited to the City's account when received, and any subsequent application transaction occurs with full audit trails.

The Contractor shall tailor its payment process to any City-specified needs (e.g., the length of the waiting period, the specific reapplication rules and the need to send a letter to the customer before generating the refund). In addition, the Contractor will implement innovations as needed to improve the application of payments (e.g., printing of an OCR-readable ticket number on both handwritten and hand-held ticket stock and the use of OCR scan lines on all notices).

In providing payment processing services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

4. Notice Processing

The Contractor shall be responsible for issuing all violation, collection and adjudication notices required by the City before secondary collection activities commence. It shall provide a noticing function that is timely, accurate and fully functional, with flexible automated notice generation capabilities, best notice design and production practices and effective complex notice mailing processes.

The Contractor shall print and mail the notices required to alert vehicle owners of current liabilities and any additional liabilities that will result from a continued failure to pay. The Contractor shall generate and mail three notices for each unpaid citation in accordance with City and state requirements before the citation is assigned for delinquent account management.

The Contractor shall notify violators of pending violations, outstanding liabilities, scheduled hearings and potential consequences of inaction in accordance with the City's approved policies, procedural requirements (e.g., sequence and timing) and formats (including content). The City shall specify or approve the form, content, sequence and timing of all notices and letters sent to violators. The Contractor shall be responsible for all costs associated with mailing or sending such notices, including form and envelope design and production costs, as well as postage and related postal billing costs, except as otherwise provided herein.

In providing notice processing services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

5. Customer Service

The Contractor shall provide effective walk-in, telephone, Internet and correspondence services and sufficient personnel, equipment and other resources to expeditiously handle all public requests.

The Contractor shall provide the City with a strong customer service program that will ensure convenient, timely and reliable service in full compliance with City laws and policies. This program will include the following features:

- A locally-based customer service staff thoroughly trained in City policies and procedures and the Contractor's process, and responsive respond to walk-in, written and telephone inquiries
- A sophisticated ticket processing system with strong integrated customer service tools
- Proven procedures and techniques for handling a high volume of customer contacts
- Improved customer access to information and service including a Integrated Voice Response System (IVRS) and Internet-based services that will accommodate growing demand over the life of the contract
- Detailed, written Standard Operating Procedures, developed in cooperation with the City and approved by the contract manager, that instruct staff in handling City-specific service requests
- Full batch controls and audit trails ensuring that all correspondence is processed and all transactions are recorded in the system
- Quality assurance and management reporting tools that facilitate monitoring of workloads and performance against contractual standards

The Contractor shall provide sufficient resources to handle all public complaints, inquiries and service requests in a prompt, courteous and professional manner, including walk-in, call center and Internet facilities as described below.

The Contractor shall develop a customer service plan for operating and staffing the central service facility and any other service centers requested by the City. The Contractor will work with the City to gather as much information as possible regarding walk-in service demands and maintain service records to enable it to adjust its base line service plan to the City's dynamic service conditions, needs and initiatives (e.g., rising ticket volume, booting/towing offensives, administrative adjudication and registration holds). The customer service plan will include a walk-in service strategy that fully considers future issuance trends, the impact of administrative adjudication and registration holds, potential workload increases, and any changes to the City's notice and penalty schedule.

The Contractor shall maintain staffing levels sufficient to provide excellent customer service and meet the City's performance standards. The Contractor and its subcontractors will recruit highly qualified personnel from the St. Louis area and fully train all personnel in the Contractor's customer service requirements and aspects of the City's parking laws, policies and practices. The Contractor will use, and make available to the City, measurement tools to monitor speed-of-service and customer service quality. The Contractor will develop, subject to City approval, customer service manuals for guiding staff in assessing and resolving service requests. All Customer Service Representatives (CSRs) will have online access to these manuals and will be evaluated periodically on the accuracy and appropriateness of the information they provide and the actions they take.

The Contractor shall establish a central service center for parking violations at a site approved by the City within 60 days of contract execution, and operate it as a full service, one-stop center where citizens can receive a variety of services. The central service center shall be responsible for performing all required parking ticket management program functions specified herein, and managing all resources committed to the successful achievement of the City's objectives. The Contractor shall staff the service

centers and resolve all walk-in customer service requests during regular operating hours designated by the City (initially 7:30 am to 6:00 pm Monday through Friday, except for holidays, and, as directed by the City, 8:30 am to 1:00 pm on Saturdays). The Contractor shall provide adequate physical security for all equipment, files, cash, checks, tickets and other items located at the service centers, and maintain its service centers in full compliance with applicable City standards.

The Contractor shall provide all correspondence services required by the City. It will develop a comprehensive library of specially tailored letters that reflect the City's governing legislation, policies and business rules. All letter types and text, the ultimate menu of letters, and the text of each will be determined and formally approved by City staff.

The Contractor shall provide a full service, user-friendly telephone call center facility, and all required hardware, software and technology, for handling the City's current and potential volume of parking-related telephone calls. The Contractor shall provide sufficient resources to ensure that all persons with parking-related concerns can make toll-free calls, have their calls answered promptly and obtain information or assistance, make payments or schedule hearings. The Contractor shall handle and record all such telephone calls in accord with guidelines approved by the City and document facility performance, including dropped calls. The Contractor will create customized scripts to answer calls and provide citizens with consistent, accurate information, subject to City approval.

The Contractor's telephone call center facility shall include an Integrated Voice Response System (IVRS) that automatically handles all incoming phone calls, takes messages, provides accurate and reliable account information and accepts payments 24 hours-per-day, 7 days-per-week. The IVRS shall be fully integrated with the Contractor's pay-by-phone service and parking ticket database. In addition, the IVRS shall automatically track all key performance indicators (e.g., incoming calls, processed calls, IVRS-processed calls, operator-processed calls, disconnected calls by type, busy calls, average wait time per call and average call time). The facility shall include a TTY line for hearing-impaired inquiries.

The Contractor shall provide and maintain a dedicated web site in accord with applicable City standards to provide accurate and current parking violation data to the public and accommodate customer payments. The web site shall interface directly with the Contractor's parking violation management system and provide any data required by the City to its customer's needs (e.g., pending violations, scheduled court appearances and outstanding fees). The Contractor shall work with the City to expand the data and services that customers may access via the parking Web site.

In providing customer service services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

6. Adjudication Support

The Contractor shall support the City's parking violation adjudication process by providing on-line adjudication management, scheduling and related support services. The Contractor shall provide the staffing to schedule hearings, notify defendants of the date, time and location of the scheduled hearings by first class mail, and provide all case information required for scheduled hearings.

The Contractor shall provide a comprehensive, easy-to-use, flexible and fully integrated system to enable scheduling, notify defendants of hearing dates, times, and locations, record the outcomes of the hearings and maintain statistics. Its system shall provide complete scheduled hearing functionality and provide easy access to a multitude of customized resources and tools for the hearing process. This includes an online, real-time scheduled hearing application in a secured and integrated processing environment, the display and adjustment of hearing schedules and preparation of complaint documents. The system shall provide the ability to process pre-scheduled and walk-in hearings and includes complete reporting and audibility. It will train Court staff on system usage.

The Contractor shall provide full capabilities to interact effectively with the City's Court, support hearing officers and judges and facilitate the adjudication process (e.g., case folder preparation and full case retrieval, access, display and update capabilities for judges or hearing officers). The Contractor's system will provide the capability to enter disposition transactions by code, for a single ticket or for all tickets adjudicated in a case.

In providing adjudication support services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

7. Enforcement Support

The Contractor shall support the City's special enforcement programs for special violation groups, including corporate fleets and individual scofflaws, by providing targeted enforcement support services.

The Contractor shall design and help the City implement a special parking ticket management program for companies with large vehicle fleets (e.g., delivery, utility and rental companies). This program will enable participating companies to pay or adjudicate their outstanding tickets on a consolidated basis. The Contractor's system shall be fully integrated with the parking ticket database and effectively process, record and allocate all parking tickets issued to leased, rental and fleet vehicles, and support the adjudication of such violations and collection of related fines in connection with such vehicles.

The Contractor shall support the City's vehicle immobilization and impoundment programs for scofflaws. In accordance with the City's requirements, the Contractor's system shall identify and target offenders with multiple delinquent violations, ensure the accurate and immediate posting of payment data and ensure the timely notification of the City's boot and tow teams of the current status of said scofflaws. The Contractor shall download its scofflaw list or "hot list" from its parking ticket management system to the

TIDs, and provide a manual scofflaw list or “hot list” to parking control officers no less frequently than once per day.

The Contractor shall provide additional technology to support the City’s vehicle immobilization and impoundment programs. This technology shall include on-line, real time inquiry support— five mobile digital terminals (MDTs)—for City booting, towing and other parking enforcement personnel, such as:

- Towing requests for booted vehicles;
- Inventory of all towed vehicles in impound lots;
- Calculation and display of boot/tow/storage fees; and
- Parking ticket management system updates.

The Contractor’s towing and booting support technology shall be integrated with the parking ticket management system to ensure that any relevant transactions, payments and other case dispositions update booting and towing lists accurately and immediately. The Contractor also shall establish effective system and operational interfaces with the City’s Police Department to help parking enforcement personnel identify stolen vehicles.

The Contractor will be responsible for providing all hardware, software, and communication components necessary to implement and maintain the Mobile Scofflaw software application that supports MDT functionality. The MDT system will reduce reliance on paper report driven functions and make information immediately available to boot and tow crews in the field. The MDT system will expedite response time to specific boot and tow issues. The Contractor shall assume responsibility for the maintenance of software, hardware, and communications equipment during the normal business hours of the operation for the term of the contract.

In providing enforcement support services, the Contractor shall satisfy the City’s detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

8. Reporting Requirements

The Contractor shall provide comprehensive, accurate, detailed, useful and timely parking violation management reports in accordance with formats, guidelines and frequencies determined by the City. These reports shall depict all parking violation activity (e.g., data entry, processing, noticing, collections and disposition activity) and include all parking management data required by the City (e.g., tickets issued, payments received, notices generated, disposition activity by type and collection rates).

The Contractor shall design all required reports to be issued on a wide variety of levels of detail ranging from detailed daily transaction reports to strategic, multi-year trend analysis reports focusing on key performance targets. Reports will be generated for various date ranges including daily, weekly, monthly, quarterly, semi-annual or specified date ranges. The reporting system shall generate cumulative reporting from monthly reports only. Required daily hard copy reports will be delivered to the City by 10:00 a.m. the next

business day and required monthly reports will be delivered to the City within 10 days from the end of the month.

Monthly reports can display year-to-date totals. Within each report group, data will be collated in three high-level categories: detail, summary, and management overview. The detail level reports will provide complete transaction information at the lowest functional level reporting fields such as agency, ticket writer, violation code, location code, administrative disposition, court disposition, notice type, payment type, fleet code, processor ID and many other fields. These reports can be used for the reconciliation, control, and monitoring of daily transactions and day-to-day operations.

The Contractor shall provide all authorized Contractor and City personnel full and immediate access to the management reports specified by the City. The Contractor shall ensure quick and easy desktop access to the required management reports using browser-based software and easy-to-use report indices and summary report formats. At a minimum, this on-line access to the management reports shall require linking PC workstations to the Contractor's system through the City's network. The Contractor shall give City staff the ability to print reports and save reports onto disks for future use.

The Contractor shall provide comprehensive, detailed and current documentation for all vendor system resources and City parking ticket transactions. This documentation shall include daily vendor production schedules, activity records (e.g., tickets processed, documents generated, notices mailing, inquiries received and DMV transactions). The Contractor shall maintain an effective system for recording, monitoring and resolving all citizen complaints and inquiries, and maintain a performance reporting system to track and resolve customer service problems as they arise.

The Contractor shall provide a user-friendly, ad hoc report writer feature to enable the City to access and analyze data online, and design and generate custom desktop reports. The City should have the ability to print ad hoc reports at City sites or the Contractor's local service center. All files from which reports shall be run must be kept available and accessible to the City for additional analysis. Upon receiving a City request to produce an ad hoc report, the Contractor shall, to the extent practical, assist the City in designing the report at no additional cost to the City. Upon request, the Contractor must train a core group of City staff in the design, use and interpretation of management reports produced by the System, and consult with City staff regarding ad hoc reports, at no additional cost to the City.

The Contractor shall provide all management reports required by the City, as outlined in the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

In order to meet the City's management reporting requirements, the Contractor shall submit its planned initial Management Reporting Structure to the City for approval no later than 90 days from the date of contract execution. The City will review the Contractor's planned initial Management Reporting Structure, suggest changes as needed and approve the initial Management Reporting Structure (with any desired changes)

within twenty (20) business days. If the City's reporting needs change over the course of the contract, the City shall submit recommended changes to the initial Management Reporting Structure to the Contractor. The Contractor shall have the flexibility to accommodate any reasonable recommended changes at no cost to the City.

9. Parking Ticket Management System

The Contractor shall provide all computer hardware, software, equipment and other technology required to provide all ticket processing functions as defined herein, as well as support the City's other parking enforcement activities (e.g., booting, towing and registration suspension). The Contractor shall provide an automated, comprehensive, on-line, real time, user-friendly, reliable, integrated, flexible and auditable parking ticket processing information and management system (hereinafter the System).

The System shall administer the processing, controlling, and managing of all parking ticket information from the initial issuance of a parking ticket to the final disposition. The System shall process all parking program functions, including:

- Parking Ticket Processing
- Notice Processing
- Payment Processing
- Cash Management
- Collections
- Boot and Tow
- Registration Suspension
- Customer Service
- Adjudication Support

The System shall also support citation issuance, handwritten citation data entry, hand-held citations uploads, on-line payments, dispositions and adjustment/suspend transactions, name/address updates and required management reports. The System will provide proven, core functionality while supporting enhanced system features.

The System shall use table-driven decision logic to enable users to quickly and easily adapt to new policies and regulations. The System shall use processing tables with entries for fines, fees, noticing requirements, system edits, "next action" logic and other such business parameters to control processing functions wherever possible.

The Contractor's System shall bring all required information to the desktop to support the Core Services. The System shall display all information that is required by users to perform required tasks (e.g., ticket inquiry, state/registration inquiry, notice inquiry, tow inquiry, boot eligibility, and fleet program maintenance). The System shall provide online, real-time access to all ticket data, vehicle registration owner data, and a complete record of all processing actions, status of administrative reviews and hearings, and customer interactions.

The System's architecture shall be robust and redundant (based on single record license plate and ticket data). The System shall use proven Windows- or browser-based application software. The System shall encompass an integrated local computer network that includes PC-based cashiering terminals, graphic user interfaces (GUI), and other LAN applications. The System shall have a web-enabled user interface with a user-friendly, point-and-click design with drop-down menus and hyperlinks to navigate the system. The System shall include a database for providing fast system response time when performing real time updating and displaying information, obtaining name and address data from Missouri, Illinois and other DMVs, accurately monitoring financial and operational performance, and providing prompt and efficient customer service. The Contractor shall be responsible for all database management functions (e.g., data changes, data updates, data integrity analysis and reporting and file purge processing). It shall employ proven, robust and secure commercial database software.

The Contractor shall be responsible for all data communications. It shall provide all communications network hardware and software necessary to ensure immediate access to the database for all authorized users, including at least 12 designated City users at approved City workstations (e.g., Treasurer's Office, Municipal Court, City Counselor's Office and Comptroller's Office). The communications network shall include all components required to maintain continuous System operations, seamlessly link all System hardware, browsers and databases (including linkages to City systems at REJIS, Treasurer and Municipal Courts) and ensure prompt data downloads and uploads. The Contractor's network shall comply with all applicable City standards (e.g., user name and password conventions, IP addressing schemes, domain and directory services structures, logon script processing, wide area network technology, local area network structure and desktop configurations).

The Contractor shall ensure that all technology it uses to serve the City is reliable and shall maintain system availability of at least 98 percent. The Contractor's data center(s) shall be adequately protected against any power interruptions or surges. The Contractor shall provide a continuous, around-the-clock help desk support facility to expedite the prompt identification and resolution of system performance problems. This facility shall include a toll-free number staffed by experienced technical support personnel and an automated problem tracking and resolution system. To minimize system downtime, the Contractor shall provide a responsive and efficient process to diagnose, replace or repair any component that fails to perform to specifications.

The System must be fully operational and licensed, and not require any development or modifications to support the City's needs. It also shall be sufficiently flexible and modular to accommodate the City's projected transaction volumes and facilitate easy modifications should they be required. The Contractor shall operate at least one sophisticated, state-of-the-art data center to meet the City's functional requirements, with adequate flexibility to meet significant increases in the City's needs.

When the Contractor makes upgrades to its System, it shall perform adequate testing and promptly notify the City of the test results. The Contractor's testing shall entail comprehensive system acceptance services, including system demonstration, system testing, user acceptance testing and system modification testing. The Contractor shall

effectively and fully document all systems and make timely enhancements to all system software. It shall provide the City with current, detailed system documentation, including but not necessarily limited to, system user manuals describing each system component, functional manuals describing the use of each system component in the context of day-to-day job duties, and any forms or documents that must be completed by staff or customers. The Contractor shall provide such upgrades and documentation to the City at no cost to the City. The Contractor shall provide at least one (1) year's written notice of any intent to terminate its support or maintenance of the system.

The Contractor shall provide all computer hardware necessary for Contractor, City and other appropriate System users to access the System or otherwise satisfy the functional requirements set forth herein. The Contractor shall provide robust client/server computers for running large applications, processing online, real time inquiries, interfacing with other computer systems and storing vast quantities of data. The Contractor shall provide a full PC-based network with at sufficient computer terminals, memory, hard drive and disk drive capabilities and security controls to meet service demands, including at least 12 dedicated PCs for City users in the Treasurer's Office, Municipal Court, City Counselor's Office and Comptroller's Office. The Contractor also shall provide at least two full-page laser printers capable of printing any screen available on the computer terminals and two routers.

The Contractor shall provide all hardware and software set forth in the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

D. Secondary Collection Services

The Contractor, if authorized by the City, shall provide an automated collection program and make diligent, cost-effective efforts to collect the delinquent accounts assigned by the City. The Contractor shall provide the following secondary collection services:

- Account Analysis
- Owner Identification
- Skip Tracing
- Notice Dunning
- Telephone Dunning
- Registration Suspension
- Registration Renewal
- Collection Reporting

The City shall define delinquent accounts as any parking tickets not fully paid (excluding cases with approved payment plans) within the time period specified in the City's parking violation management policies. Initially, the City shall designate delinquent accounts as all accounts still unpaid fifteen (15) calendar days after the mailing of the third notice. Assuming that the third notice is issued within 75 days of issuance, an account would be defined as delinquent no later than 90 days after the date of ticket issuance. The City will determine the initial noticing schedule during the implementation phase and, thereafter,

the City and Contractor may agree to change this schedule at any time. After receiving a delinquent account from the City, the Contractor shall initiate secondary collection activities to collect all associated parking violation fines, late payment penalties and other costs approved by the City.

In order to maximize the collection of delinquent accounts (i.e., those assigned for secondary collection activity), the Contractor shall establish and maintain effective relationships with departments of motor vehicles (DMVs) in Missouri, Illinois, the other 48 states and appropriate Canadian provinces. The Contractor shall obtain the most current motor vehicle registration information (e.g., owner name and address) from Missouri, Illinois and the five other states with the most violations in the City in the most expeditious manner available (e.g., data file purchase and automated system interface).

The Contractor shall maintain complete and accurate documentation of DMV processing requirements, including interface specifications, data formats and registration update schedules. The data exchange interfaces (e.g., file transfer protocol, tape-to-tape or manual transfer) should satisfy state requirements, but should be automated wherever possible. The Contractor shall maintain DMV success rates for Missouri and Illinois and all other states in the aggregate as specified in the contract.

The Contractor shall employ the secondary collection techniques specified herein and any others tailored to the City's needs to maximize the delinquent accounts it collects and create a credible deterrent to violator unresponsiveness. Subject to the City's prior written approval, the Contractor may use any other reasonable secondary collections methods not prohibited by law. When the State of Missouri enacts legislation authorizing the suspension of vehicle registration or driver licenses for scofflaws (i.e., violators with a specified number of outstanding and uncontested parking tickets), the Contractor shall employ this tool to collect delinquent parking tickets.

The Contractor shall initiate secondary collection activity for the City's backlog of unpaid parking violations account receivables (i.e., those accounts deemed delinquent at the time of contract execution) in accordance with the implementation plan approved by the City. The City may conduct an analysis of the accounts receivable before it authorizes the Contractor to initiate secondary collection activity. The City may decide to create an amnesty program to expedite the collection of said accounts and minimize the amount of data to be converted. Before initiating secondary collections for backlog accounts, the Contractor shall obtain any necessary parking violation data from the current collections contractor or REJIS at no cost to the City.

In providing delinquent account management (secondary collection) services, the Contractor shall satisfy the City's detailed requirements. At the outset of this task, should it be authorized, the City shall provide the detailed requirements to the Contractor for review and, where appropriate, modification.

E. Administrative Adjudication Services

The Contractor, if authorized by the City, shall staff and support the City's administrative adjudication program for parking violations. The objectives of this program shall be to

provide customers an informal process for disputing their parking violations and free judicial resources to concentrate on other municipal violations.

These services shall include the provision of hearing officers. All Contractor-employed hearing officers will meet or exceed specific requirements to be determined by the City prior to and during employment by the Contractor as hearing officers for the City. The City will provide all required office space, office furniture, office equipment, high-speed internet connections, City network connections, telephones and telephone services required for operation of an administrative adjudication program.

The Contractor shall use the adjudication support system provided by the City's ticket processing vendor. The Contractor's hearing officers will use this system to review document images, enter dispositions, generate correspondence and support any other task required to conduct and close an administrative adjudication hearing. The hearing officer will review the citation status at the completion of the hearing. The hearing officer shall enter the hearing results, exhibits and witnesses, and any other required record changes, into the system and generate a fully detailed decision notice and plus any required correspondence for the claimant.

The Contractor shall regularly review administrative adjudication hearing reports generated by the system. These reports shall detail hearing transactions by type, functional area, and user, and include such reports as: administrative adjudication by issuance, hearings requested, scheduled and re-requested, administrative adjudication completion date, dismissal by PEO, suspend rate, disposition refunds and hearing disposition analysis. The Contractor shall periodically run database queries on available hearing records to identify significant operating trends and support recommendations for improving the administrative adjudication process.

F. Implementation

Upon obtaining the City's authorization to provide Optional Contract Services, the Contractor shall develop and submit an Implementation Plan for implementing Optional Contract Services authorized by the City. Upon obtaining the City's approval of the Implementation Plan for Optional Contract Services, the Contractor shall implement the required Optional Contract Services in accordance with the approved Implementation Plan. Except as otherwise agreed to by the parties, the Contractor shall implement all Optional Contract Services no later than ninety (90) days after it receives the City's authorization to implement said services.