

**AGREEMENT BETWEEN THE COUNTY OF LAKE AND DATA TICKET INC. FOR
PROCESSING OF NOTICES OF IMPOSITION OF ADMINISTRATIVE PENALTIES**

This Agreement is made and entered into by and between the COUNTY of Lake, hereinafter referred to as "COUNTY", and Data Ticket inc., hereinafter referred to as "CONTRACTOR", collectively referred to as the "Parties".

RECITALS

WHEREAS, COUNTY is in need of administrative penalties, processing in connection with the issuance of notices of imposition of administrative penalties pursuant to COUNTY municipal code and other civil debts as designated and owed to the COUNTY.

WHEREAS, CONTRACTOR is authorized to perform such work in the State of California and is qualified and willing to provide said services.

NOW, THEREFORE, based on the foregoing recitals, the Parties hereto agree as follows:

1. **SERVICES.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to COUNTY the services described in the Scope of Services attached hereto and incorporated herein as Exhibit A/B at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A – Definitions, Exhibit B – Scope of Services, Exhibit C – Fiscal Provisions, and Exhibit D – Compliance Provisions, this Agreement shall prevail.

2. **TERM.** This Agreement shall commence on December 1st, 2023, and shall terminate on November 30, 2028, unless earlier terminated as hereinafter provided. In the event COUNTY desires to temporarily continue services after the expiration of this Agreement, such continuation shall be deemed on an annual basis, subject to the same terms, covenants, and conditions contained herein.

3. **COMPENSATION.** CONTRACTOR has been selected by COUNTY to provide the services described hereunder in Exhibit "B" (Scope of Services), attached hereto. Compensation to CONTRACTOR shall not exceed five thousand dollars annually (\$5,000).

The COUNTY shall compensate CONTRACTOR for services rendered, in accordance with the provisions set forth in Exhibit "C" (Fiscal Provisions), attached hereto, provided that CONTRACTOR is not in default under any provisions of this agreement. Compensation to CONTRACTOR is contingent upon appropriation of federal, state and COUNTY funds.

4. **TERMINATION.** This Agreement may be terminated by mutual consent of the Parties or by COUNTY upon 30 days written notice to CONTRACTOR.

In the event of non-appropriation of funds for the services provided under this Agreement, COUNTY may terminate this Agreement, without termination charge or other liability.

Upon termination, CONTRACTOR shall be paid a prorated amount for the services provided up to the date of termination.

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5. **MODIFICATION.** This Agreement may only be modified by a written amendment hereto, executed by both Parties; however, matters concerning scope of services which do not affect the compensation may be modified by mutual written consent of CONTRACTOR and COUNTY executed by [Department Head].

6. **NOTICES.** All notices between the Parties shall be in writing addressed as follows:

COUNTY of Lake
Community Development Department
255 N. Forbes St
Lakeport, Ca 95453

Data Ticket Inc.
2603 Main St., Suite 300
Irvine, Ca 92614

7. **EXHIBITS.** The Agreement Exhibits, as listed below, are incorporated herein by reference:

Exhibit A – Definitions
Exhibit B – Scope of Services
Exhibit C – Fiscal Provisions
Exhibit D – Compliance Provisions

8. **TERMS AND CONDITIONS.** CONTRACTOR warrants that it will comply with all terms and conditions of this Agreement and Exhibits, and all other applicable federal, state and local laws, regulations and policies.

9. **INTEGRATION.** This Agreement, including attachments, constitutes the entire agreement between the Parties regarding its subject matter and supersedes all prior Agreements, related proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the Parties.

Executed at _____, California on _____.

COUNTY OF LAKE
Community Development Department

CONTRACTOR

Mireya G. Turner, CDD Director

Data Ticket Inc.

APPROVED AS TO FORM:
LLOYD GUINTIVANO
County Counsel

By:  _____

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EXHIBIT "A" – DEFINITIONS

To further provide definition surrounding each line item, the CONTRACTOR has provided additional details below.

Manual and Electronic Administrative Penalties Processing:

Services for the above-mentioned items include:

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

Notice of Imposition of Administrative Penalties:

Services for the above-mentioned item include:

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

Delinquent Collections:

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

Franchise Tax Board Processing:

SSN Look-up

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

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FTB Collections

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

Advanced Collections

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

Administrative Appeal / Requests for Hardship Waiver

- Data Ticket will review all documentation received by the Appellant and determine whether the request received within the required timeframe
- If the request was received within the required timeframe, Data Ticket's Adjudication Department will place the notice on an Administrative Appeal Request Hold and scan all received documentation into the Solution where it is displayed on the web for the COUNTY's Staff.
- If the request is received outside the required timeframe, the COUNTY will have the option to proceed as though the request was received within the timeframe or it may elect to have Data Ticket send a "time expired letter" rejecting the appeal
- All hearings are the responsibility of the COUNTY and/or Board of Supervisors

Joint / Escrow Banking Services (Optional)\$150.00 per month Services for the above-mentioned item include:

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

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- The Joint/Escrow Banking Services fee is not included in the monthly minimum

Online Access for the COUNTY's Customers:

Included

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

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

Online Access for the COUNTY's Staff:

Included

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

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

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

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

Reporting:

Included

- Data Ticket offers 24 reports online for our Clients to generate, print and re-print 24/7. We provide real-time reports that can be generated for any timeframe required and we provide pre-processed/month-end reports that reflect the month-end view of data.
- All reports are available online and **because we do not purge data unless specifically requested to do so by a Client, the data is available if the COUNTY is a Client.**

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- All reports are generated in HTML so our Clients can copy and paste the data into Excel for data manipulation purposes.
- Report Generator capabilities that provide COUNTY Personnel with the ability to create, save, share and print custom reports at any time for any time frame.
- If the COUNTY were to request a report that was not already available, Data Ticket would work with the COUNTY to design the report and provide it to the COUNTY at no cost.

Manual Payment Processing:

Included

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

Charge-backs and NSF's

Included

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

Refunds

Included

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

Customer Service:

Included

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

Web Presence:

Included

- Data Ticket's Solution is 100% web-based and Section 508 Compliant and is provided at: www.CitationProcessingCenter.com; this is a generic website in the sense that it is

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not COUNTY branded. This website allows for the COUNTY and the COUNTY's
Customers to access notices online

- **If the COUNTY prefers an COUNTY branded website, one in which the look and feel mimics that of the COUNTY's website, Data Ticket can and will provide this feature to the COUNTY**

Cost Increases:

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

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

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EXHIBIT "B" – SCOPE OF SERVICES

1. CONTRACTOR RESPONSIBILITIES

ARTICLE I – NOTICE PROCESSING

1.1 Referral and Reconciliation: CONTRACTOR shall receive and process notices from COUNTY. CONTRACTOR will provide a reconciliation of the number of notices received from COUNTY

1.2 Determination of Processable Notices and Debts: CONTRACTOR shall screen each notice referred to it by the COUNTY to determine if the notice is processable. If the notice is determined by CONTRACTOR to be unprocesable (e.g., essential processing information is missing), CONTRACTOR shall contact the COUNTY for clarification. CONTRACTOR will be paid the contractual rate hereinafter provided, for notices properly corrected by the COUNTY.

1.3 Collection and deposit of funds: A direct deposit system shall be employed for all funds received for payment of notices. The COUNTY shall have the choice of jointly owning a bank account with the CONTRACTOR or directing the CONTRACTOR to deposit into an COUNTY account. Deposits shall be made directly into the account by the CONTRACTOR for the collecting COUNTY, with the exception of credit card payments made using VISA, MasterCard, Discover and American Express cards belonging to the CONTRACTOR. Credit card payments are reconciled and remitted on a monthly basis to the COUNTY, but tracked on the notice monitoring software on a daily basis. Notices paid by credit card are marked "paid" real-time immediately upon authorization, thus affording the citizen the opportunity to make payment at any time and have the payment recognized immediately.

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

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

1.6 Administrative Review and Hearing: All initial review and administrative appeals will be conducted by the COUNTY in accordance with Chapter 13 of the Lake County Code.

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1.7 Notices Disposed of by Hearing/Court: The CONTRACTOR may be required, as a result of hardship waivers, initial reviews or administrative appeals, to reduce or cancel, on an individual basis, notices which have been referred to it. CONTRACTOR shall be paid the contractual rate hereinafter provided for processing the notice regardless of the outcome of above. CONTRACTOR will maintain records indicating any reduction or cancellation of administrative notices as a result of waiver/hearing. Notices that are dismissed as a result of waiver/hearing will have the dismissal processed by the CONTRACTOR promptly after receipt from the COUNTY.

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

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

1.10 Notice System Master File Update: CONTRACTOR will regularly update the notice master file for new notices/debts, payments, reductions, cancellations, dismissals and any other pertinent data.

ARTICLE II - PAYMENT PROCESSING

2.1 Disposition Processing: CONTRACTOR will maintain all notice/debt dispositions for a minimum of five (5) years. Closed notices will remain on-line for a minimum of five (5) years for research and statistical purposes.

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

"Regular Payments" are notices with the correct amount due, paid on or before the due date. This includes payments properly complying with the first Delinquent Notice.

"Partial Payments" are notices where payment is less than the total amount of due.

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

2.3 Miscellaneous Letters Processing: CONTRACTOR will receive and review all miscellaneous correspondence. These are generally letters requesting, refunds, voids, or

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otherwise setting forth complaints. These letters will be researched by CONTRACTOR and may be forwarded to the COUNTY for proper follow-up.

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

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

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

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

ARTICLE III - WEB SITE

3.1 Notice Management Web Site: The CONTRACTOR offers a web site for COUNTY review of its database, including all notices and information relating to changes in status.

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

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

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

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

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ARTICLE IV - GENERAL

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

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

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

4.4 Confidentiality: In order to enable CONTRACTOR to carry out its work hereunder, to some extent it will have to impart to the COUNTY'S employees information contained in the Materials and Systems (collectively the "CONFIDENTIAL DATA"). The COUNTY agrees that information contained in the data that was marked in writing as "CONFIDENTIAL", "PROPRIETARY" or similarly, so as to give notice of its confidential nature, when submitted to the COUNTY by CONTRACTOR shall be retained by COUNTY in the strictest confidence and shall not be used or disclosed in any form except in accordance with paragraph 4.5, 4.6, and 4.7 herein below. The COUNTY recognizes that irreparable harm could be occasioned to CONTRACTOR by disclosure of CONFIDENTIAL DATA, which is related to its business, and that CONTRACTOR may accordingly seek to protect such CONFIDENTIAL DATA by enjoining disclosure.

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

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

4.7 Storage for COUNTY:

A. CONTRACTOR agrees to scan original notices and have such information available on the notice management system for a minimum of two years, to permit COUNTY retrieval of such information. COUNTY relieves CONTRACTOR of all liability costs associated with data released by COUNTY to any other person or entity using such data.

B. Subsequent to the termination of the contract, CONTRACTOR will return a file containing all data belonging to the COUNTY.

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ARTICLE V - ADDITIONAL SERVICES

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

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

2. REPORTING REQUIREMENTS.

CONTRACTOR shall submit (monthly) reports in a format approved by COUNTY by the 10th of the month following the report period.

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

- A. Report of Revenue Collected for Period
- B. Report for Notices Issued for Period
- C. A balanced summary report for issuing COUNTY providing the status of all notices at the beginning of the period, current period activity, and at the end of the period.
- D. A report for issuing COUNTY identifying individuals owing the COUNTY selected amounts.
- E. A report for issuing COUNTY identifying the notices/debts issued, location, violation by each officer.

3. RECORDS RETENTION.

CONTRACTOR shall prepare, maintain and/or make available to COUNTY upon request, all records and documentation pertaining to this Agreement, including financial, statistical, property, recipient and service records and supporting documentation for a period of five (5) years from the date of final payment of this Agreement. If at the end of the retention period, there is ongoing litigation or an outstanding audit involving the records, CONTRACTOR shall retain the records until resolution of litigation or audit. After the retention period has expired, CONTRACTOR assures that confidential records shall be shredded and disposed of appropriately.

4. COUNTY RESPONSIBILITIES.

COUNTY agrees to utilize only the services of CONTRACTOR during the term of this Agreement for the processing of the notices referred to above. COUNTY agrees during the term of the Agreement to not directly or indirectly assist a competitor of CONTRACTOR in the performance of the services provided by CONTRACTOR under this Agreement.

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EXHIBIT "C" – FISCAL PROVISIONS

1. CONTRACTOR'S FINANCIAL RECORDS. CONTRACTOR shall keep financial records for funds received hereunder, separate from any other funds administered by CONTRACTOR, and maintained in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's Cost Principles.

2. INVOICES.

2.1 CONTRACTOR's invoices shall be submitted in arrears on a monthly basis, and shall be itemized and formatted to the satisfaction of the COUNTY.

2.2 COUNTY shall make payment within 20 business days of an undisputed invoice for the compensation stipulated herein for supplies delivered and accepted or services rendered and accepted, less potential deductions, if any, as herein provided. Payment on partial deliverables may be made whenever amounts due so warrant or when requested by the CONTRACTOR and approved by the Assistant Purchasing Agent.

3. AUDIT REQUIREMENTS AND AUDIT EXCEPTIONS

3.1 CONTRACTOR warrants that it shall comply with all audit requirements established by COUNTY and will provide a copy of CONTRACTOR's Annual Independent Audit Report, if applicable.

3.2 COUNTY may conduct periodic audits of CONTRACTOR's financial records, notifying CONTRACTOR no less than 48 hours prior to scheduled audit. Said notice shall include a detailed listing of the records required for review. CONTRACTOR shall allow COUNTY, or other appropriate entities designated by COUNTY, access to all financial records pertinent to this Agreement.

3.3 CONTRACTOR shall reimburse COUNTY for audit exceptions within 30 days of written demand or shall make other repayment arrangements subject to the approval of COUNTY.

4. EXPENDITURE OF FUNDS.

4.1 Funds payable through this agreement shall not be used to purchase food or promotional merchandise or to attend conferences unless specifically approved in the budget.

4.2 COUNTY reserves the right to refuse payment to CONTRACTOR or disallow costs for any expenditure determined to be unreasonable, out of compliance, or inappropriate to the services provided hereunder.

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On the following pages, CONTRACTOR has provided the CA fee proposals to process the COUNTY's Administrative Notices.

CONTRACTOR will provide the COUNTY with a single flat fee for all Administrative Notice Processing up to Franchise Tax Board processing.

Fee Description	Administrative Notice Processing Fee Option 1
Notice Processing and Collections	
Manual Notice Processing	\$15.00
Electronic Notice Processing	\$12.00
1st Notice Sent	No charge
Delinquent Collections	No charge
Franchise Tax Board Processing - SSN Look-up	\$2.50 per unique SSN
FTB Collections	15% of paid amount
Advanced Collections Legal Action Not Required	30% of paid amount
Adjudication Services	
Adjudication Hold & Scanning of Documentation	No charge
Disposition Entry	No charge
Disposition Letters	No charge
Hearing Schedule Letters	No charge
Certified Letter Fee (Optional)	\$5.00 per letter

*Assessed at Notice Date + 60 Days

- A minimum fee of \$200.00 will be charged on a monthly basis if services do not reach this level

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EXHIBIT "D" – COMPLIANCE PROVISIONS

1. **INFORMATION INTEGRITY AND SECURITY.** CONTRACTOR shall immediately notify COUNTY of any known or suspected breach of personal, sensitive and confidential information related to CONTRACTOR's work under this Agreement.
2. **NON-DISCRIMINATION.** CONTRACTOR shall not unlawfully discriminate against any qualified worker or recipient of services because of race, religious creed, color, sex, sexual orientation, national origin, ancestry, physical disability, mental disability, medical condition, marital status or age.

3. **DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

3.1 The CONTRACTOR certifies to the best of its knowledge and belief, that it and its subcontractors:

- A. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or COUNTY;
- B. Have not, within a three-year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity with commission of any of the offenses enumerated in the preceding paragraph; and
- D. Have not, within a three-year period preceding this Agreement, had one or more public transactions terminated for cause or default.

3.2 CONTRACTOR shall report immediately to COUNTY, in writing, any incidents of alleged fraud and/or abuse by either CONTRACTOR or CONTRACTOR's subcontractor. CONTRACTOR shall maintain any records, documents, or other evidence of fraud and abuse until otherwise notified by COUNTY.

4. **INDEMNIFICATION AND HOLD HARMLESS.**

CONTRACTOR shall indemnify and defend COUNTY and its officers, employees, and agents against and hold them harmless from any and all claims, losses, damages, and liability for damages, including attorney's fees and other costs of defense incurred by COUNTY, whether for damage to or loss of property, or injury to or death of person, including properties of COUNTY and injury to or death of COUNTY officials, employees or agents, arising out of, or connected

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with CONTRACTOR's operations hereunder or the performance of the work described herein, unless such damages, loss, injury or death is caused solely by the negligence of COUNTY.

CONTRACTOR's obligations under this Section shall survive the termination of the Agreement.

6. STANDARD OF CARE. CONTRACTOR represents that it is specially trained, licensed, experienced and competent to perform all the services, responsibilities and duties specified herein and that such services, responsibilities and duties shall be performed, whether by CONTRACTOR or designated subcontractors, in a manner according to generally accepted practices.

7. INTEREST OF CONTRACTOR. CONTRACTOR assures that neither it nor its employees have any interest, and that it shall not acquire any interest in the future, direct or indirect, which would conflict in any manner or degree with the performance of services hereunder.

8. DUE PERFORMANCE – DEFAULT. Each party agrees to fully perform all aspects of this agreement. If a default to this agreement occurs, then the party in default shall be given written notice of said default by the other party. If the party in default does not fully correct (cure) the default within 10 days of the date of that notice (i.e. the time to cure) then such party shall be in default. The time period for corrective action of the party in default may be extended in writing executed by both Parties, which must include the reason(s) for the extension and the date the extension expires.

Notice given under this provision shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable time period. No such notice shall be deemed a termination of this Agreement, unless the party giving notice so elects in that notice, or so elects in a subsequent written notice after the time to cure has expired.

9. INSURANCE.

9.1 CONTRACTOR shall procure and maintain Workers' Compensation Insurance for all of its employees.

9.2 CONTRACTOR shall procure and maintain Comprehensive Public Liability Insurance, both bodily injury and property damage, in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence, including but not limited to endorsements for the following coverage: personal injury, premises-operations, products and completed operations, blanket contractual, and independent CONTRACTOR's liability.

9.3 CONTRACTOR shall procure and maintain Comprehensive Automobile Liability Insurance, both bodily injury and property damage, on owned, hired, leased and non-owned vehicles used in connection with CONTRACTOR's business in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence.

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9.4 CONTRACTOR shall procure and maintain Professional Liability Insurance for the protection against claims arising out of the performance of services under this Agreement caused by errors, omissions or other acts for which CONTRACTOR is liable. Said insurance shall be written with limits of not less than one million dollars (\$1,000,000).

9.5 CONTRACTOR shall not commence work under this Agreement until it has obtained all the insurance required hereinabove and submitted to COUNTY certificates of insurance naming the COUNTY of Lake as additional insured. CONTRACTOR agrees to provide to COUNTY, at least 30 days prior to expiration date, a new certificate of insurance.

9.6 In case of any subcontract, CONTRACTOR shall require each subcontractor to provide all of the same coverage as detailed hereinabove. Subcontractors shall provide certificates of insurance naming the COUNTY OF LAKE as additional insured and shall submit new certificates of insurance at least 30 days prior to expiration date. CONTRACTOR shall not allow any subcontractor to commence work until the required insurances have been obtained.

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

9.8 The Commercial General Liability and Automobile Liability Insurance must each contain, or be endorsed to contain, the following provision:

The COUNTY, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds and shall be added in the form of an endorsement to CONTRACTOR's insurance on Form CG 20 10 11 85. CONTRACTOR shall not commence work under this Agreement until CONTRACTOR has had delivered to COUNTY the Additional Insured Endorsements required herein.

9.9 Insurance coverage required of CONTRACTOR under this Agreement shall be placed with insurers with a current A.M. Best rating of no less than A: VII.

Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve the CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking other action as is available to it under any other provision of this Agreement or applicable law. Failure of COUNTY to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at a later date.

9.10 Any failure of CONTRACTOR to maintain the insurance required by this section, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Agreement.

10. ATTORNEY'S FEES AND COSTS. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to

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reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such part may be entitled.

11. ASSIGNMENT. CONTRACTOR shall not assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of COUNTY except that claims for money due or to become due CONTRACTOR from COUNTY under this Agreement may be assigned by CONTRACTOR to a bank, trust CONTRACTOR, or other financial institution without such approval. Written notice of any such transfer shall be furnished promptly to COUNTY. Any attempt at assignment of rights under this Agreement except for those specifically consented to by both Parties or as stated above shall be void.

12. PAYROLL TAXES AND DEDUCTIONS. CONTRACTOR shall promptly forward payroll taxes, insurances, and contributions to designated governmental agencies.

13. INDEPENDENT CONTRACTOR. It is specifically understood and agreed that, in the making and performance of this Agreement, CONTRACTOR is an independent CONTRACTOR and is not an employee, agent or servant of COUNTY. CONTRACTOR is not entitled to any employee benefits. COUNTY agrees that CONTRACTOR shall have the right to control the manner and means of accomplishing the result contracted for herein.

CONTRACTOR is solely responsible for the payment of all federal, state and local taxes, charges, fees, or contributions required with respect to CONTRACTOR and CONTRACTOR's officers, employees, and agents who are engaged in the performance of this Agreement (including without limitation, unemployment insurance, social security and payroll tax withholding.)

14. OWNERSHIP OF DOCUMENTS. All non-proprietary reports, drawings, renderings, or other documents or materials prepared by CONTRACTOR hereunder are the property of COUNTY.

15. SEVERABILITY. If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

16. ADHERENCE TO APPLICABLE DISABILITY LAW. CONTRACTOR shall be responsible for knowing and adhering to the requirements of Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, (42 U.S.C. Sections 12101, et seq.). California Government Code Sections 12920 et seq., and all related state and local laws.

17. HIPAA COMPLIANCE. CONTRACTOR will adhere to Titles 9 and 22 and all other applicable Federal and State statutes and regulations, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and will make his best efforts to preserve data integrity and the confidentiality of protected health information.

18. SAFETY RESPONSIBILITIES. CONTRACTOR will adhere to all applicable CalOSHA requirements in performing work pursuant to this Agreement. CONTRACTOR agrees that in the performance of work under this Agreement, CONTRACTOR will provide for the

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safety needs of its employees and will be responsible for maintaining the standards necessary to minimize health and safety hazards.

18.1 Security Provisions: COUNTY agrees to follow all defined security requirements including but not limited to:

- A) All COUNTY employees who are provided access to services provided by CONTRACTOR must complete annual security awareness trainings.
- B) COUNTY must inform CONTRACTOR within 24 hours of a COUNTY employee with access to CONTRACTOR services leaving their role.
- D) COUNTY must inform CONTRACTOR of any breach of information within 24 hours, so the appropriate government agencies can be notified of the breach.
- E) COUNTY understands and agrees that security requirements may change and be updated to reflect the most current security requirements of the government agencies we work with to obtain vehicle registered information.
- F) COUNTY understands that evidence of the security requirements may be requested to comply with CONTRACTOR audit requirements of the governmental agencies we work with.

18.2 Permissible Use Provisions: COUNTY agrees to follow all defined permissible use requirements including but not limited to:

- A) All COUNTY employees who are provided access to services provided by CONTRACTOR must receive annual training on permissible use of COUNTY information.
- B) All COUNTY employees must sign permissible use agreement documents subject to the COUNTY where the vehicle registered owner information is being obtained.
- C) All COUNTY employees will be instructed of the confidentiality of information obtained and the proper use of that information based on job responsibility, which must not involve immigration purposes.
- D) COUNTY must inform CONTRACTOR within 24 hours if data has been misused in such a manner that might constitute data misuse or a data breach.
- E) COUNTY must inform CONTRACTOR of any breach of information within 24 hours, so the appropriate government agencies can be notified of the breach.
- F) COUNTY understands and agrees that permissible use requirements may change and be updated to reflect the most current permissible use requirements of the government agencies CONTRACTOR works with to obtain vehicle registered information.

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G) COUNTY understands that evidence of the permissible use requirements may be requested to comply with CONTRACTOR audit requirements of the governmental agencies CONTRACTOR works with.

H) COUNTY understands that tracking of activity will occur for annual reviews to be conducted by CONTRACTOR to ensure the confidentiality and privacy required for COUNTY provided information.

I) COUNTY understands that all information obtained through government agencies is considered subject to the Drivers Privacy Protection Act (DPPA) and agrees that no disclosures of information will be made that would constitute a violation of this act.

J) COUNTY understands and agrees that access to confidential registered owner information may be immediately restricted or terminated if any of the mandatory provisions above are found to be violated or abused.

19. JURISDICTION AND VENUE. This Agreement shall be construed in accordance with the laws of the State of California and the Parties hereto agree that venue of any action or proceeding regarding this Agreement or performance thereof shall be in Lake County, California. CONTRACTOR waives any right of removal it might have under California Code of Civil Procedure Section 394.

20. RESIDENCY. All independent CONTRACTORS providing services to COUNTY for compensation must file a State of California Form 590, certifying California residency or, in the case of a corporation, certifying that they have a permanent place of business in California.

21. NO THIRD-PARTY BENEFICIARIES. Nothing contained in this Agreement shall be construed to create, and the Parties do not intend to create, any rights in or for the benefit of third Parties.

22. PUBLIC RECORDS ACT. CONTRACTOR is aware that this Agreement and any documents provided to the COUNTY may be subject to the California Public Records Act and may be disclosed to members of the public upon request. It is the responsibility of the CONTRACTOR to clearly identify information in those documents that s/he considers to be confidential under the California Public Records Act. To the extent that the COUNTY agrees with that designation, such information will be held in confidence whenever possible. All other information will be considered public.