

**AN ORDINANCE TO AUTHORIZE CONTRACT 15055DFPS –
PARKING CITATION AND COLLECTION SERVICES --
WITH XEROX STATE AND LOCAL SOLUTIONS, INC.**

#4113

Sponsor:

Council
Member
Freel

WHEREAS, pursuant to §2-308 and §8-200 of the City Charter, the City of Wilmington is authorized to enter into contracts for the supply of property or the rendering of services for more than a period of one year if approved by Wilmington City Council by ordinance; and

WHEREAS, the City of Wilmington desires to obtain a parking citation database management and collection service system in connection with City parking tickets; and

WHEREAS, the City publicly advertised a Request for Proposals (“RFP”) for Contract 15055DFPS – Parking Citation and Collection Services (the “Contract”) in accordance with §8-200 of the City Charter, and subsequently awarded the Contract to Xerox State and Local Solutions, Inc. (“Xerox”), which submitted the lowest price and best overall proposal; and

WHEREAS, the term of the Contract is for a period of three and a half (3.5) years beginning on or about January 1, 2016, with two (2) possible renewals of one (1) year each under the same terms and conditions; and

WHEREAS, the City shall pay Xerox for its services as follows:

- (a) Year 1 - \$74,375 per month
- (b) Year 2 - \$76,234.42. per month
- (c) Year 3 - \$78,140.25 per month
- (d) Year 4 - \$80,093.75 per month
- (e) Year 5 – (if extended) \$82,096.08 per month

(f) Year 6 - (if extended) \$84,148.50 per month; and

WHEREAS, the Contract includes 3,300 boots paid per year, and in the event that the boots paid per year exceeds 3,300, Xerox shall charge the City \$100 per boot that results in either a full or partial payment; and

WHEREAS, it is the recommendation of the Department of Finance that the City enter into the Contract as described above, a copy of which, in substantial form, is attached hereto and incorporated herein by reference.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. Contract 15055DFPS – Parking Citation and Collection Services – between the City and Xerox for a period of three and a half (3.5) years, with annual costs set forth therein to be paid on a monthly basis, with two (2) possible renewals of one (1) year each under the same terms and conditions, a copy of which, in substantial form is attached hereto, and the Mayor or his designee, and the City Clerk are hereby authorized to execute as many copies of the Contract, and to perform all additional undertakings related thereto, as may be necessary.

SECTION 2. This Ordinance shall be deemed effective upon its date of passage by City Council and approval by the Mayor.

First Reading.....November 5, 2015
Second Reading....November 5, 2015
Third Reading February 18, 2016

Passed by City Council, February 18, 2016




President of City Council

ATTEST:



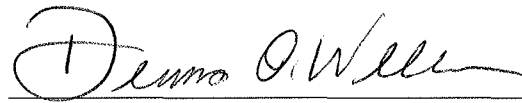
City Clerk

Approved as to form this
4th day of November, 2015



Assistant City Solicitor

Approved this 23 day of Feb, 2015 2016



Mayor

SYNOPSIS AND FISCAL IMPACT: This Ordinance authorizes 15055DFPS – Parking Citation and Collection Services – with Xerox State and Local Solutions, Inc., for a period of three and a half (3.5) years, with two (2) possible renewals of one (1) year each under the same terms and conditions. The City shall pay Xerox for its services as follows: Year 1 - \$74,375 per month; Year 2 - \$76,234.42 per month; Year 3 - \$78,140.25 per month; Year 4 - \$80,093.75 per month; Year 5 (if extended) – \$82,096.08 per month; and Year 6 - (if extended) \$84,148.50 per month. In addition, if boots paid per year exceeds 3,300, Xerox shall charge the City \$100 per boot that results in either a full or partial payment.

**CITY CONTRACT 15055DFPS
PARKING CITATION PROCESSING
COLLECTION SERVICES
BETWEEN
THE CITY OF WILMINGTON
AND XEROX STATE & LOCAL SOLUTIONS, INC.**

THIS AGREEMENT, made the _____ day of _____ in the year Two Thousand Fifteen by and between the City of Wilmington, (the City) a municipal corporation of the State of Delaware, acting through the agency of the Department of Finance, Division of Procurement and Records, party of the first part (hereinafter designated the Owner), and **Xerox State & Local Solutions, Inc.**, party of the second part (hereinafter designated the Contractor).

Article: 1. Services

The Contractor shall and will furnish and deliver per specifications as described in the attached Scope of Professional services (“Services”), which is incorporated as Schedule A, on Professional Service contract **15055DFPS “Parking Citation and Collection Services”** for the Finance Department and Contractor’s Proposal detailing Contractor’s performance of the specifications in Schedule A which is incorporated by reference as submitted in response to the Advertisement for Proposals by the Department of Finance, Division of Procurement and Records date 18 December 2015 and 12 December 2015 and the specifications identified as Contract No. **15055DFPS** and by the signatures of the parties hereto, are, together with the said Contractor’s Proposal, Advertisement for Bids, Instructions to Bidders, Forms of Proposal, addendums and answers to questions, and/or other documents pertinent thereto, hereby acknowledge and incorporated into these presents and are to be taken as a part of this Contract.

Article 2. Compensation

It is understood and agreed by and between the parties hereto that the amount of this Professional Service Agreement is the amount of Eight Hundred Ninety Two Thousand, Five Hundred Dollars (\$892,500) for year one (1); Nine Hundred Fourteen Thousand, Eight Hundred Thirteen (\$914,813.00) for year two (2); Nine Hundred Thirty Seven Thousand, Six Hundred Eighty

Three (\$937,683.00) for year three (3); Nine Hundred Sixty One Thousand, One Hundred Twenty Five (\$961,125) for year four (4); Nine Hundred Eighty Five Thousand, One Hundred Fifty Three (\$985,153.00) for year five (5); and One Million, Nine Thousand, Seven Hundred Eighty Two (\$1,009,782) for year six (6). The annual rates will be divided into (12) twelve monthly payments. The Parking Citation award includes 3,300 boots paid/year along with the annual cost-of-living increase of 2.5%, as per Proposal dated 1/20/2015 to the Department of Finance, Division of Procurement and Records. In the event that annual boots/paid exceeds 3,300 paid per year, Xerox will charge the City of Wilmington an additional fee in the amount of \$100 per boot fee that results in a payment (full or partial). Payments shall be due to the vendor within 30 days upon receipt of invoice.

Article 3. Term

The term of this Contact shall be for a period of Forty-two (42) months, commencing on January 1, 2016 and expiring on June 30, 2019. The Parties may, by mutual consent, extend the agreement for two (2) one year option periods in accordance with all existing terms and conditions.

Article 4 Early Termination

In the event of an early termination by the City for its convenience, Xerox shall be paid any fees due at the time of termination, plus any and all reasonable costs homed at the request and approval of the City in terminating the operation of the program, including but not limited to cost of settling with subcontractors, the administrative and professional costs incurred to prepare and negotiate the termination for convenience proposal, employee termination and relocation costs, and a reasonable profit thereon. In addition, City shall pay Xerox an amount representing recovery of any and all of the un-amortized Program costs based upon actual installation costs.

For purposes of Ownership of handheld equipment and Digital Parking Permit cameras supplied by Xerox in performance of the agreement, Early Termination is defined as any termination prior to the completion of performance of the base contract term and the completion of performance of both one year contract extensions by the Contractor. City shall pay Contractor an amount representing recovery of any and all of the un-amortized Program costs (assuming a fifty-seven (57) month amortization schedule for any equipment. Upon payment to the Contractor of all outstanding unamortized equipment costs by the City, the equipment shall become the property of the City.

Article 5 Other Terms and Conditions

The remaining terms and conditions of the Contract are hereby incorporated by reference into this Contract. The City of Wilmington General Terms and Conditions are attached to as Exhibit A and hereby incorporated as such.

In witness whereof the party of the first part has, by recommendation of the **Director of Finance Department**, caused the hand of **Dennis P. Williams**, Mayor, and the corporate seal of the City of Wilmington, attested by the City Clerk, to be hereunto affixed; and the party of the second part has caused the hand of its' President, (or his authorized representative) and its' corporate seal, attested by the Secretary or assistant Secretary, to be hereunto affixed.

Dated the day and year first above written in the City of Wilmington, County of New Castle, State of Delaware.

Signed, Sealed and delivered
in the presence of:

THE CITY OF WILMINGTON

Witness

By: _____
Dennis P. Williams, Mayor

ATTEST:

City Clerk

Xerox State & Local Solutions, Inc.

Witness

By: _____
President (Seal)

ATTEST:

Secretary

Approved as to Form on this _____

Day of _____, 2015

First Assistant City Solicitor

CITY OF WILMINGTON

General Terms and Conditions

Xerox State & Local Solutions Inc. ("Xerox" or "Consultant")

1. Insurance Coverage

Consultant shall provide insurance coverage for itself and all of its employees, if any, used in connection with this Agreement as follows: worker' compensation as required by law; Commercial general liability coverage with a combined single limit for bodily injury and property damage in the minimum amount of One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate. Such policies shall be issued by a financially sound carrier and/or carriers licensed to do business in the State of Delaware. Consultant shall provide the City with a standard ACORD form certificate of insurance evidencing the above stated coverage and naming the City as an additional insured on the commercial general liability policy.

2. Use of Subcontractors

Consultant may use qualified consultants, sub consultants, or subcontractors to perform the services required under this Agreement upon the approval of the City.

3. Discrimination

In the performance of this Agreement, the parties agree that they shall not discriminate or permit discrimination against any person because of age, sex, marital status, race, religion, color, or national origin.

4. Indemnification

Consultant shall defend, indemnify, and hold harmless the City, its employees, agents, and officers, from and against any and all claims, damages, actions, liabilities and expenses, including reasonable attorney's fees, made by third parties, but only to the extent caused by, and resulting from the negligent acts or omissions of Consultant, its employees, agents, subcontractors, consultants, or sub consultants in pertaining the services required under this Agreement.

Without limiting the foregoing, Either Party shall not be liable to the other party or to any third party for any reason whatsoever arising out of or relating to this Agreement (including any breach of this Agreement) for loss of profits or for incidental, indirect, special, consequential, or punitive damages, notwithstanding the failure of any remedy provided herein.

Consultant's total, maximum liability for any and all damages shall not exceed an annual maximum of 50% of the revenue received in the prior 12 months with a total aggregate liability of 20 % of the total contract value received by the Contractor.

5. Records

Consultant shall maintain accounts and records necessary to support invoiced changes. The City shall not have access to journal entries, cost data or any confidential and/or proprietary information. Such records shall be made available for audit purposes to the (City or its authorized representatives) upon request.

6. Reports and Information

Consultant, at time and in such form as the City may require, shall furnish the City such periodic reports as the City may request pertaining to the work or services undertaken pursuant to this Agreement. Time is of the essence of this Agreement.

7. Business License

Consultant shall obtain and/or maintain an appropriate business license from the City of Wilmington Department of Finance.

8. Taxes

Consultant shall withhold, if applicable, City of Wilmington wage taxes from the compensation of its officers, agents and employees as required by the City of Wilmington wage tax law.

9. Findings Confidential

All of the drawings, plans, designs, reports, analyses, specifications, information, examinations, proposals, illustration, copy, maps, graphics, slides, and documents prepared, assembled, drafted or generated by Consultant under this Agreement are confidential, and Consultant agrees that such documents shall not be made available to anyone, without the prior written approval of the City.

10. Ownership of Information

All of the drawings, plans, designs, reports, analyses, specifications, information, examinations, proposals, brochures, illustrations, copy, maps, graphics, slicks, and documents prepared, assembled, drafted, or generated by Consultant solely in connection with this Agreement shall become the exclusive property of the City. Consultant may keep copies of such documents for its records. Xerox shall retain ownership of eTIMS, PocketPEO, and all enterprise applications as well as any associated documentation, manuals and other information related to these Xerox items.

11. Notices

Any notice which is required or may be given in connection with this Agreement shall be addressed as follows:

City Solicitor
Law Department 9th floor
City of Wilmington
800 N. French Street
Wilmington, Delaware 19801

12. Independent Contractor

Consultant (and its employees and agents) is an independent contractor and not an employee or agent of the City.

13. Oral Modifications

This Agreement is not to be changed orally, but only by an agreement in writing and signed by both parties.

14. Successors and Assigns

This Agreement, and all the terms and provisions hereof, shall be binding upon and shall inure to the benefit of the City and Consultant, and their respective legal representatives, successors, and assigns.

Consultant's Signature: _____

Title: _____

Date: _____

“Schedule A”

SCOPE OF PROFESSIONAL SERVICES

It is the intent of the City of Wilmington to have various functions and activities associated with the collection of parking citation fines integrated into a unified, highly functional, customer service-oriented, “turnkey” parking citation database management and collection service system that will operate in a production environment. The System must fully support numerous functions and activities, which are set forth in this contract and generally, include, but are not limited to:

- Parking citation posting
- On-line inquiry
- Payment processing
- Collection services to include self-release boot management
- Accounting/financial processing and record-keeping requirements
- Maintenance of audit trails
- Security controls on all activities and transactions
- Management reporting
- Periodic training for Parking Regulation Enforcement Officers and customer service representatives

The minimum scope of work required includes, but may not be limited to:

1. Inputting hard copy citations, and maintaining citation information.
2. Obtaining registered owner information – On line, daily, for both instate and out of state accessing Department of Motor Vehicle records for all states.
3. Sending notices of delinquent parking citations to registered owners, daily.
4. Applying late penalties on all past due citations daily.
5. Placing registration holds through the Delaware Department of Motor Vehicles (DMV) daily.
6. Applying payment information to citations, real time.
7. Providing an installment/partial payment plan and accepting partial payments for parking citations as well as accepting partial payments on website according to City approved parameters.
8. Updating citation information to reflect changes in disposition, and keeping notes as needed at various access levels as determined by the City.
9. Providing web based browser access – no additional software should be required by the City to access the Contractor’s system.
10. Providing web base browser access for citizens to view and pay.

11. Providing Remote Data Entry for manually issued tickets.
12. Providing twenty (20) water resistant all-in-one handheld ticket writing devices (including camera and printer) with software to upload citations daily. Device to contain internal GPS and capability to flag previously issued vehicles.
13. Maintaining and updating listing of scofflaw files on a daily basis for City to upload into the handheld ticket writers.
14. Providing daily and monthly reports with web access and exportable to Excel.
15. Daily reports to include but not limited to the following:
 - a. Issuance Activity by Officer; number of citations
 - b. Issuance Activity by Officer; \$ amount of citations
 - c. Voided citations by Officer; # of citations
 - d. Voided citations by Officer, \$ amount of citations
 - e. Issuance by type of violation; # of citations
 - f. Issuance by type of violation; \$ amount of citations
 - g. Appeals filed by type of violation; # of citations
 - h. Appeals filed by type of violation; \$ amount of citations
 - i. Appeals upheld by type of violation, # of citations
 - j. Appeals upheld by type of violation, \$ amount
 - k. Appeals denied by type of violation, # of citations
 - l. Appeals denied by type of violation, \$ of citations
 - m. Top 100 violators by # of citations
 - n. Top 100 violators by \$ of citations
 - o. Aged Receivables Detail by Ticket Type and Fiscal Year
 - p. Daily Revenue collection Detail and Summary
 - q. Daily and Monthly Cashier Detail
 - r. Daily and Monthly Activity by Payment Type
16. Providing an adequate system security and back-up provisions
17. Adjudication
 - The citation adjudication process is managed by the City's Appeals Director.
18. Self-release Booting

Functional Description of the System

The System shall integrate the following components and maintain a central database that supports these components.

1. Parking Citation Issuance and Processing

The System shall process all manually and electronically produced citations. Electronic citations should be posted to the database within 24 hours. Manual citations should be posted to the database within (2) business days of receipt from issuing source. The System shall display citation dispositions, payments and other actions in real time.

The System shall enable the selected users to update on-line the citations in the System regarding dispositions, suspensions, hearings, and adjustments. The System shall also have the capability of updating a payment or disposition prior to posting the original citation.

Xerox shall provide an interface between the System and the sub-system that are required to communicate, load and read information to and from hand-held electronic devices. Xerox shall ensure the integrity of the data during transmission and shall have processes in place to reconcile the number of citations transmitted.

2. On-Line Inquiry

The System shall enable the User to perform the following on-line inquiries:

- a) Inquiry by License Plate Number – Displays information on all citations written to the vehicle bearing the plate and owner name. Displays towing eligibility, total amounts owed, violator name and address, and past license plates assigned to the owner.
- b) Citation Detail Inquiry – Displays the following citation information: violator name and address, DMV information, fines and penalties, payments, dispositions, and noticing history.
- c) Inquiry by Owner Name – Displays name (s) of the owner, addressee, and license plate number (s).
- d) Summary Inquiry – Summarizes multiple citation information by license plate number, owner name and citation number.

3. Adjudication

The System shall enable the user to perform the following actions:

- a) Entry of violator's plea, basis for appeal and subsequent hearing request.
Suspend further collection action until the hearing is held or failure to appear.
- b) Schedule, and re-schedule a hearing request on the hearing calendar.
- c) Produce and distribute of notifications to complainants, notification to Appeals Director and Parking Services Supervisor.
- d) Paraphrase appellant's comments.
- e) Update citation on the database with a scheduled hearing date.
- f) Display and print daily adjudication calendars.
- g) Enter hearing disposition and payments on-line, and update the citation record accordingly.
- h) Display and print a copy of the citation.
- i) Reactivate a citation notice due to a violator's failure to appear at adjudication.

4. Dispositions

Dispositions will be entered subsequent to judicial hearings, or as a result of administrative adjudication stemming from correspondence or payment. The System shall accept the following types of dispositions entered by the User:

- a) At fault
- b) Suspended
- c) Fine Adjustment
- d) Penalty Adjustment
- e) Dismissed
- f) Full Payment
- g) Other Actions (s)

5. Payment Processing/Online Cashiering

- a) The Vendor shall install on-line cashiering systems for locations to be determined by the City, for accepting over-the counter payments, providing receipts, updating the citation status, selling permits and other parking products.
- b) The Vendor must clearly identify the hardware and software that will be used in the workstations installed in the customer service centers. The proposed equipment for

processing and recording citation payment information, including cash, check, money order, credit card payments must operate in an on-line real time mode, and the Vendor must provide the capability to continue accepting citation payments during times when data communication lines are temporarily inoperative.

- c) Xerox's system must be web-enabled and accessible without any special desktop configuration. The system must print a payment receipt, in a form acceptable to the City, which will provide the payer with an easily recognizable record to be used as proof of payment in disputes. The receipt must display all citations paid, the total amount paid, the amount tendered and any change given, the license plate, the name or ID of the staff processing the payment, and the time and date payment was made. The system must provide a clear auditable record of payments received. The audit trail must include citation number, payment date and time, payment amount, payment method, and the name or ID of the staff member that accepted payment and made the entry. The Vendor must provide a check endorsement printer and journal printer to facilitate daily balancing and audit of all payment transactions received and processed.
- d) Xerox's online cashiering system and support personnel must be able to process payments of citations that have not yet been entered on the database, payments of single citations, multiple citations, and citations on one or more vehicle license plates, in an online, real-time environment. The proposed system must be able to process imposed fees, including but not limited to, bounced check fee and booting fees, and fully support a time payment plan. The proposed system must be capable of accepting and identifying whether payments were made in cash, by check, money order or credit card and allow on-line payment adjustments and error corrections with audit trails. The system should also be capable of accepting two distinct payment methods within a single transaction.
- e) Xerox's system must be able to process payments made by credit card at PCI compliance Level 1. Certification of PCI Level 1 compliance must be included with RFP application.
- f) Xerox's system must incorporate security and financial control measures which must include at a minimum, the following:
 - i. Password security to gain access to the system;
 - ii. Segregated cash out by operator;
 - iii. Separate totals for cash, check, money order and credit card; and
 - iv. Operator name or ID, date and time as a record for transaction (payment or adjustment).

6. Notices and Collections

The System shall have the ability to prepare multiple notices of delinquency for individual citations, composite notices by license number, and notices of partially paid citations. The System shall maintain a record of all notices mailed and the mail dates. The System shall enable the user to access on-line all notices by citation number, license number, date mailed, and the status of violations as they proceed through the noticing and collection cycles.

Listings shall accompany the production of notices for quality assurance purposes. Notices shall be produced and sequenced for lowest mailing costs.

The Vendor shall research the mail addresses on all returned mail, and re-mail a notice to the correct address within five business days of receiving the returned mail.

7. Department of Motor Vehicles (DMV) Interfaces

The System shall acquire violator names and addresses for Delaware and out-of-state license plates from the applicable state department of motor vehicles and re-submit name and address requests when delinquency and flagging notice mail is returned. The System shall also request information on requests initially returned as “no hits” (name and address not available). The System shall be capable of processing citations issued to leased, rented, and fleet vehicles.

The Vendor shall aggressively request out-of-state registry information to ensure collection activity can be pursued on out-of-state citations.

8. Violator Inquiry

- a) Vendor must provide a website for accepting payments. Payment options by credit card should include; Visa, Master Card and Discover Card. Vendor must be a certified credit card processor, meeting the requirements of the Cardholder Information Security Program (CISP) Compliance. A letter of PCI compliance shall be provided to the City’s Finance Department for auditing purposes.
- b) All credit card payments must be posted to the system immediately, real time.
- c) Vendor must provide how a “charge back” would be processed and charged.

- d) Vendor must provide the option for the City to link from the City's website to the Vendor's website for citizen payment options or appeal.

9. Corrections To Citations

Vendor must be willing to make corrections to citations and continue processing the citation. This would include information like new registered owner information and processing like generating another delinquent notice.

10. Self-release Booting

Vendor must be able to integrate with a contracted booting Company which provides self-release boots. The Vendor must have access to a web-based inquiry support for the program. The Vendor must provide scofflaw license plate lists to the handheld ticket writers on a daily basis.