

Email from LADOT to Xerox on November 7, 2012 (p. 56-57 of Public Records Request).

From: Wayne Garcia [mailto:wayne.garcia@lacity.org]
Sent: Wednesday, November 07, 2012 7:18 AM
To: Muenster-nulry, Ann
Cc: Wayne Garcia
Subject: RFP: Clarification Request - Page 895 of Proposal

Dear Ms. Muenster-nulry,

Please clarify the following statement:

"Our Managed Receivables model is implemented within a process we call a Collection Action Plan (CAP). This CAP addresses all aspects of revenue enhancement though focusing on special collections. Applying this model to the City, under the current terms, could yield an anticipated increase in revenue of approximately \$12,000,000 through fiscal year 2013."

1. Is the \$12,000,000 referred to in this statement gross or net?
2. Is the \$12,000,000 referred to in this statement above the current FY 12-13 revenue goal of \$153,437,755?
3. Does this statement apply to FY 12-13 or 13-14?
4. Is this a guaranteed revenue increase backed by a financial instrument such as a letter of credit?

Please reply to the above questions and provide any additional information that may help the city clarify this statement.

Wayne P. Garcia

City of Los Angeles

Department of Transportation

Date: 5-22-13
Submitted in Trans Committee
Council File No: 13-0586
Item No.: 8
Deputy: [Signature]



RE: Clarification Request - Page 895 of Proposal

Muenster-nuiry, Ann <ann.muenster-nuiry@xerox.com>

Fri, Nov 9, 2012 at 9:37 AM

To: Wayne Garcia <wayne.garcia@lacity.org>

Cc: "Talbot, Mark" <MARK.TALBOT@xerox.com>, "Cummins, David" <David.Cummins@xerox.com>, "Valdez, Vincent" <vincent.valdez@xerox.com>, "Borenstein, Esther" <Esther.Borenstein@xerox.com>, "Gupta, Arti" <Arti.Gupta@xerox.com>

Dear Mr. Garcia

Below please find the answers to the questions you sent to us:

1. Is the \$12,000,000 referred to in this statement gross or net? This number is based on gross dollars from monies collected from windshield payments through aged receivables.

2. Is the \$12,000,000 referred to in this statement above the current FY 12-13 revenue goal of \$153,437,755? The \$12,000,000 figure was estimated as additional, non-budgeted, gross dollars collected between the months of Jan 2013 and June 2014.

3. Does this statement apply to FY 12-13 or 13-14? Please see the response to question #2.

4. Is this a guaranteed revenue increase backed by a financial instrument such as a letter of credit? No, this is not a revenue guarantee. Vendors providing revenue guarantees typically seek to reduce their risk by requiring the implementation of municipal service levels. Contracts containing revenue guarantees and limiting municipal control can be unpopular and may lead to unintended consequences. The City's guarantee is over twenty years of solid performance.