

PITTSBURGH PARKING COURT COOPERATION AGREEMENT

THIS PARKING TICKET COURT COOPERATION AGREEMENT IS MADE AS OF THE 18th day of ~~March~~ May, 2005 (this "Agreement"), by and among the Public Parking Authority of Pittsburgh, a body corporate and politic organized under the Parking Authority Law of June 19, 2001, P.L. 287, 53 Pa.C.S. Sec. 5501 et seq, as amended and supplemented (the "PPA"); and the City of Pittsburgh, a home rule municipality of the Commonwealth of Pennsylvania (the "City").

WITNESSETH:

WHEREAS, pursuant to Act 237, 2004 enacted into law on December 8, 2004 (the "Act"), 75 Pa.C.S.A. § 6109(H), the enforcement, adjudication, processing and collection of parking tickets issued by the PPA in the City ("Parking Court"), and the automobile booting, towing, and pound functions for vehicles booted by the PPA ("BTP"), were transferred to the PPA (the "Transfer"). Collectively, the Parking Court and BTP functions are referred to hereinafter as the Pittsburgh Parking Court (the "PPC").

WHEREAS, the City, and the PPA desire to formalize, among other things, the Transfer, and the allocation and distribution of the costs and the income related to the PPC between the PPA and the City.

NOW, THEREFORE, THE PARTIES HERETO, intending to be legally bound hereby, agree as follows:

1. DEFINED TERMS. The following terms shall have the meaning in this Agreement as set forth below:

"Annual Budget" Shall be the annual budget, prepared by the PPA on or before August 31st of each year for the PPC, except for 2005, which shall project the annual Costs, Ticket Revenue and Net Revenue for the subsequent year.

"Costs" All costs, expenditures, salaries, commissions or any other expense (including without limitation, reasonable administrative or overhead costs, and police support reimbursement costs) incurred by the PPA in relation to the transfer and operation of the PPC.

"Initial Costs" Shall be those Costs incurred by the PPA prior to the Transfer Date related to the Transfer and the establishment of the PPC, as well as those Costs related to the creation of the interim PPC and the selection of private vendor to facilitate the operation of the PPC, and the transition to the selected vendor.

"Mayor" Shall be the Mayor of the City.

"Net Revenue" Shall be a sum equal to the Ticket Revenue minus the Costs and Initial Costs.

"Ticket" Any parking ticket issued by the PPA, pursuant to the ordinances of the City of Pittsburgh and the laws of the Commonwealth of Pennsylvania.

"Ticket Fund" Shall mean any fund (or account or sub-account of any fund) established by the PPA for the deposit of the Ticket Revenue.

"Ticket Revenue" Shall mean all moneys collected from all fines, fees, penalties and any other revenue related to enforcement of all Tickets, the operation of the PPC.

2. PPC OPERATIONS.

(a) Transfer of PPC. Pursuant to the Act, effective January 1, 2005 (the **"Transfer Date"**) the PPC was transferred to the PPA. Effective as of the Transfer Date, the PPA had the full authority to operate all aspects and functions of the PPC, including without limitation: (i) the processing, enforcement, adjudication of all Tickets issued after the Transfer Date, and the collection of all fines, penalties, fees and costs associated with all said Tickets; and (ii) the booting, towing, and impounding of vehicles that have been booted by the PPA, the operation of a vehicle impoundment facility for PPA booted vehicles, and the collection of all fines, penalties, fees and costs associated with the booting, towing and impoundment of such vehicles.

(b) Ticket Revenues. Effective as of the Transfer Date the City assigned, transferred and set over to the PPA any and all rights to the Ticket Revenue for all Tickets issued after the Transfer Date, subject to the Net Revenue distribution provided for in Section 3(b) herein. The City shall retain the rights and collection function for all uncollected Ticket Revenue for Tickets issued prior to the Transfer Date.

(c) Reservation of Powers. This Agreement shall not limit, impair, diminish or restrict the exercise by the City of the full scope of its police powers related to the regulation of on-street parking. Without limiting the foregoing, the City shall remain responsible for the enactment of parking ordinances and regulations, for the establishment of fees and of fines and penalties for the violation of said ordinances and regulations, provided however, that the City agrees that the fees, fines and penalties shall, at a minimum, reflect the costs of administration of the PPC and that the PPA shall establish reasonable administrative fees for unpaid/delinquent Tickets. The City will review proposals from the PPA for increases in fees and in fines and penalties for the violation of said ordinances and regulations. In the event that the City, without the consent of the PPA, hereafter reduces the fees or the fines and penalties for the violation of said ordinances and regulations (or fails to increase said items if necessary), the PPA shall have the right, with written notice to the Mayor specifying the reduction, at least thirty (30) days beforehand, to reduce operations of the PPC to ensure that the Ticket Revenue will remain sufficient to pay the Costs hereunder.

(d) City Contracts. The Transfer did not include the transfer of any City contracts to the PPA. The PPA will have no responsibility or liability for any City contracts with other entities.

(e) City Equipment. Effective as of the Transfer Date, the City transferred to the PPA the equipment and supplies set forth in Exhibit A (the "**Equipment**"), attached hereto and made part hereof. With respect to the Equipment, the City represents that no consents were necessary to assign any computer hardware and software Equipment to the PPA, or if consents were necessary, the City will take all steps required to obtain such consents, including the payment of any assignment fees. The City represents that the Equipment is fully owned by the City and no loans, obligations, or other form of indebtedness encumber the Equipment.

(f) Employment. The Transfer did not include the transfer of any City employees to the PPA.

3. REVENUE DISTRIBUTION. The PPA and City hereby agree that the annual Ticket Revenue, based on the fiscal calendar year of October 1 to September 31, shall be distributed in accordance with the following provisions.

(a) Cost Payment. The PPA shall, in its sole discretion, pay all Costs, including the Initial Costs from the Ticket Revenues (Ticket Fund), from time to time, as and when said Costs become due and payable and in a manner which avoids unnecessary increases in the Costs.

(b) Net Revenue Distribution. The annual Net Revenue shall be distributed by the PPA as follows: Net Revenue shall be distributed 90% to the City and 10% to the PPA.

(c) Distribution to City. Except for fiscal year 2005, the PPA shall distribute to the City twenty-five (25%) percent of the City's portion of the Net Revenue (in accordance with Section 3(b) above), at the end of each of the first three fiscal quarters, on the 15th day of the following month or the next business day thereafter, with the final payment of the year adjusted for the actual Ticket Revenue and Costs for the year, according to the following scheme:

(i) In 2005, there shall be three quarterly payments to the City. The first quarterly payment of 2005 shall be made on May 15th, 2005 or the next business day thereafter. The City acknowledges that the 2005 payments of the City's share of the Net Revenue shall be based on the Net Revenue for that particular period. The second 2005 payment to the City shall be made on August 15th or the next business day thereafter. The last payment of 2005 to the City shall be made on December 15th.

(ii) In subsequent years, commencing January 10th, 2006, the first three fiscal quarterly payments shall be made on January 15th, April 15th and July 15th of the year, or the next business day thereafter and shall be based on the estimates set forth in the Annual Budget. The fourth quarterly payment shall be made on December 15th, or the next business day thereafter, and shall be adjusted for the actual Net Revenue for the year.

(iii) In the event that the PPA determines, during any of the first three quarters of any fiscal year other than 2005, that there will be a variance of more than twenty

(20%) percent in the estimates set forth in the Annual Budget, the Annual Budget shall be revised accordingly and the estimated distributions to the City under Section 3(c)(ii) shall be adjusted accordingly. In the unlikely event that there is an overpayment of the City's portion of the Net Revenue distribution during the first three quarterly payments of any fiscal year, which exceeds the amount of the City's fourth quarter payment, the City shall reimburse the PPC the amount of said overpayment in full within fifteen (15) days.

(d) Distribution to PPA. The PPA shall distribute to the PPA the PPA's portion of the Net Revenue on a quarterly basis in accordance with the distribution process as set forth in Section 3(c) above. The PPA hereby agrees with the City that the PPA's portion of the Net Revenue shall be dedicated to capital improvements at PPA owned facilities/properties, with priority given to improving neighborhood properties/facilities owned by the PPA.

4. COMPLIANCE WITH LAWS. The PPA shall fully obey and comply with all applicable laws, ordinances and administrative regulations duly made in accordance therewith, which are applicable to this Agreement.

5. AUTHORIZING RESOLUTIONS. This Agreement is made and executed by the City pursuant to Resolution No. 2004-10, dated June 11, 2004, and by the PPA pursuant to Resolution No. 10., effective March 18, 2005.

6. ENTIRE AGREEMENT / AMENDMENTS. There are no oral agreements between the City and PPA affecting this Agreement, and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the City and PPA with respect to the subject matter of this Agreement. There are no representations between City and PPA other than those contained in this Agreement and all reliance with respect to any representations is solely upon such representations. This Agreement may not be changed, modified, or amended, in whole or in part, except in writing signed by the City and the PPA.

7. ANTI-DISCRIMINATION. The PPA shall conform with all applicable discrimination provisions of the Pittsburgh Code, including those in Title Six, "Conduct", Article V, "Discrimination", and any amendments thereto, and shall incorporate in any contracts or subcontracts under this Agreement a requirement that said contractors or subcontractors also comply with the provisions.

8. CITY / PPA PARKING AGREEMENTS. The City, PPA, and the Equipment Leasing Authority ("ELA") have previously entered into the following agreements: (i) Cooperation Agreement (the "**Cooperation Agreement**") dated as of February 15, 1995 by and among the PPA, the City and the ELA; (ii) Lease Agreement (the "**Mon Wharf Lease**") dated as of January 1, 1987 by and between the PPA and the City; (iii) Meter Revenues Agreement (the "**Meter Revenues Agreement**") dated as of December 18, 1985; and (iv) Amendment Agreement (the "**2000 Amendment**") dated as of January 1, 2000 (the Cooperation Agreement, Mon Wharf Lease, Meter Revenues Agreement, and 2000 Amendment are sometimes collectively referred to as the "**Parking Agreements**"). The Parking Agreements and the operations, expenses and revenues derived there under are, and shall remain, separate from the

operation, expenses and revenues of the PPC. Under no circumstances shall the Ticket Revenues be deemed part of or commingled with the "Revenues" (as defined in the Parking Agreements), whereby the Ticket Revenues shall not be subject to any of the bonds, notes, obligations, or other form of indebtedness of the PPA.

9. MISCELLANEOUS.

(a) Notwithstanding anything provided for herein, the PPA has agreed that the PPC will temporarily adjudicate Tickets issued prior to the Transfer Date. The PPA is providing this service to assist the City during the initial transition period. All revenues collected by the PPC pursuant to conducting hearings for Tickets issued prior to the Transfer Date, shall be deemed Ticket Revenue hereunder. Upon the transfer of the PPC operational systems to a private vendor, which is estimated to occur on May 1, 2005, the PPC will not adjudicate Tickets issued prior to the Transfer Date. The PPA shall provide the City with prior written notice of the date that the PPC will no longer adjudicate the Tickets issued prior to the Transfer Date.

(b) This Agreement may be executed in any number of original counterparts. Any such counterpart shall constitute an original of this Agreement, and all such counterparts together shall constitute one fully-executed document.

(c) This Agreement is to be performed in Allegheny County in the Commonwealth of Pennsylvania and the laws of the Commonwealth of Pennsylvania shall govern the validity, constitution and enforcement of this Agreement.

(d) In the event that the Act is rescinded by the Pennsylvania Legislature or deemed invalid by Pennsylvania Court action, the PPC and all future Ticket Revenue shall be transferred by the PPA to the City, whereupon the PPA shall have no further responsibility or liability for the PPC. The PPA will be fully reimbursed out of the Ticket Revenue for the costs associated with said transfer.

10. REPORTS.

Contemporaneously with the fiscal quarterly payments as set forth in Section 3 herein, PPA shall provide the Mayor, City Finance Director, and City Budget Director with detailed financial reports, supported by documentation, indicating:

(a) The number of Tickets issued;

(b) The number of Tickets for which payment has been received;

(c) The Costs paid by PPA, with supporting documentation, including reports of the Initial Costs;

(d) The Ticket Revenue, indicating the source – fees, fines, penalties or any other revenue source;

(e) The number of outstanding, uncollected Tickets, fines or penalties; and

(f) The number of vehicles booted, towed and/or impounded.

11. HOME RULE CHARTER: LIABILITY OF CITY. This Agreement is subject to the provisions of the Pittsburgh Home Rule Charter; and the liability of City hereunder is limited to the sum of zero Dollars (\$00.00).

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the day and year first above written.

ATTEST:

Donna Fischer
Mayor's Assistant Secretary

Calvin Keros

CITY OF PITTSBURGH

[Signature]
Mayor

By: *Richard R. [Signature]*
Director, Department of Finance

Examined by:

Shannon F. Beckley
Assistant City Solicitor

Approved as to form:

[Signature]
City Solicitor

ATTEST:

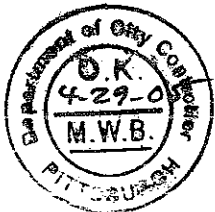
Karen Spels
Secretary

PUBLIC PARKING
AUTHORITY OF PITTSBURGH

David A. [Signature]
Executive Director

Approved as to form
Dickie, McGarvey & Gileotti PC
Solicitors to the Controller,
City of Pittsburgh

Dwight Armstrong



Anthony J. Pomora 5-18-05
ANTHONY J. POMORA - DEPUTY CONTROLLER
45153

EXHIBIT A

EQUIPMENT

1. Two cashiers registers, which were previously used by the staff at the Pittsburgh Traffic Court.