

# Agenda Report

June 20, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Department of Transportation

**SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH DATA TICKET, INC. FOR COLLECTION OF DELINQUENT PARKING CITATIONS**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the following proposed action is exempt from review pursuant to the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b) (3);
2. Authorize the Interim City Manager to enter into a contingency fee-based contract, without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, with Data Ticket, Inc. for collection of parking citations issued to out-of-state registered vehicles as well as collection of delinquent citations for California registered vehicles for a term of three (3) years; and
3. Authorize the City Manager, to extend the contract for up to two (2) additional terms of one (1) year each in his/her sole discretion without further City Council approval.

## **BACKGROUND:**

The City issues parking citations to California registered vehicles and to vehicles with Out-of-State registrations. The collection effort associated with California-registered vehicles involves unpaid citations that have been on California Department of Motor Vehicles hold for a period of over 18 months and are still delinquent. Citations for Out-of-State registered vehicles are processed as a bill due 21 days following its issuance and are deemed collectable at that point in time. Since FY 2010, all parking citation collection activities were handled by Data Ticket, Inc. and a total of \$324,226 was paid.

Due to the expiration of the existing contract, a Request for Proposals (RFP) was released on March 25, 2016 to determine the most qualified vendor that provided the best value to the City. Five companies responded to the City's RFP. None of the firms are local to Pasadena. Staff reviewed and rated all proposals according to the criteria identified in the RFP. The scoring of the responses to the RFP is shown below:

Proposer	Project Understanding	Project Approach	Staffing of Project/Ability to Perform	Experience	Best Value/Cost Effectiveness	Local Pasadena Business	Small/Micro-Business Preference	Total
Data Ticket, Inc. Newport Beach, CA	14.5	18.5	9	25	17	0	5	89
Phoenix Group Info Santa Ana, CA	10	13.5	6.5	19	20	0	5	74
Duncan Solutions Milwaukee, WI	11.5	13	7	15.5	19	0	0	66
T2 Systems Indianapolis, IN	11.5	15	7.5	14	18	0	0	66
Linebarger, Goggan, Blair & Sampson LLP. Encinitas, CA	10.5	12	7.5	15	16	0	0	61

It is recommended that Data Ticket, Inc. be awarded the contract for parking citation collections as the firm received the highest overall score. The proposed contract with Data Ticket, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances.

**COUNCIL POLICY CONSIDERATION:**

The proposed action is consistent with the goal of the Strategic Plan to maintain fiscal responsibility and stability by providing a means of collecting revenues owed to the City.

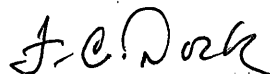
**ENVIRONMENTAL ANALYSIS:**

This contract is exempt from CEQA per section 15061 (b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action will not result in any new development or physical changes.

**FISCAL IMPACT:**

The recommended contract compensates the service provider on contingency basis. Data Ticket, Inc. will only be paid upon successful collection of the citations. Data Ticket, Inc. will receive \$18 per each successfully collected delinquent parking citation issued to California registered vehicles and 21% of the collected amount for each successfully collected delinquent citation issued to out of state registered vehicles. The compensation to Data Ticket, Inc. is estimated to be \$50,000 annually. With the implementation of this contract in FY 2017, the City anticipates to collect approximately \$200,000 annually. This includes the collection of both in state delinquent citations and out of state citations. Since a backlog of collections has developed during the RFP period, it is possible that collections in the first year of the contract will be higher than noted above. However it is not possible at this time to reliably estimate the potential revenue.

Respectfully submitted,



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FREDERICK C. DOCK  
Director  
Department of Transportation

Prepared by:



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Jon Hamblen  
Parking Manager

Approved by:



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STEVE MERMELL  
Interim City Manager