

City of Sacramento

Legislation Text

File #: 2019-01612, **Version:** 1

Title:

Contract: Parking Citation Processing Services [Two-Thirds Vote Required] (Published for 10-Day Review 11/27/2019)

File ID: 2019-01612

Location: Citywide

Recommendation:

Pass a Motion by two-thirds vote: 1) suspending competitive bidding in the best interests of the City for selection of a contractor to perform parking citation processing services; and 2) authorizing the City Manager or the City Manager's designee to execute a five-year goods and nonprofessional services contract with Duncan Solutions, Inc. for a total not-to-exceed amount of \$6,528,214 for parking citation processing services.

Contact: Mike King, Program Specialist, (916) 808-1172; Matt Eierman, Parking Services Manager, (916) 808-5847, Department of Public Works

Presenter: None

Attachments:

1-Description/Analysis

2-Goods and Non-Professional Services Contract

Description/Analysis

Issue Detail: Since 2008, the City of Sacramento has been using Duncan Solutions, Inc. ("Duncan") for parking citation processing services via the City of Inglewood's Inglewood Citation Management Services ("ICMS") program. ICMS allows other government agencies to take advantage of outsourced solutions for parking citation processing. In 2007, through a competitive Request for Proposals process conducted by the City of Inglewood, Duncan was selected as the citation processing service provider for the ICMS program.

The City of Sacramento's most recent five-year contract with ICMS was approved by City Council in

November 2012 and was extended last year through January 5, 2020. Despite efforts to formalize an extension of the City's contract with the City of Inglewood, Inglewood has not responded or provided clarity as to the future of ICMS. To avoid interruption of parking citation processing services, Parking Services staff is recommending the City of Sacramento contract directly with Duncan for future citation processing services through January 5, 2025.

Policy Considerations: The recommendations in this report are in accordance with: 1) City Code Chapter 3.56 regarding the purchasing of supplies and nonprofessional services; and 2) City Code Section 3.56.230(C) allowing the City Council to suspend competitive bidding when, by a two-thirds vote, the City Council finds that it is in the best interests of the City to suspend.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. This item was published for 10-day review on November 27, 2019 as required.

Economic Impacts: None

Environmental Considerations: The recommended parking citation processing activities specified in this report do not constitute a project under the California Environmental Quality Act (CEQA) because the activities amount to continuing administrative activities under CEQA Guidelines section 15378(b)(2).

Sustainability: This action supports the City of Sacramento's sustainability goals to improve and optimize the transportation infrastructure.

Commission/Committee Action: None

Rationale for Recommendation: Since 2008, Duncan has been the parking citation processing service provider for the City of Sacramento through the City of Inglewood's ICMS program. However, the City of Sacramento's contract with the City of Inglewood expires January 5, 2020.

Suspension of competitive bidding for parking citation processing services and contracting with Duncan for continued services through January 5, 2025 is in the best interests of the City of Sacramento due to the following:

- Duncan has offered a per-citation cost of \$0.55, which is a significant reduction from the current cost of \$0.88 through ICMS.
- Duncan's existing system is already configured for the City's business rules, so it will not require the vendor to do analysis and programming to meeting the City's needs.
- All integrations with existing systems, such as DMV, the revenue cashiering system, the

payment lockbox, etc. already exist and do not need to be programmed by the vendor.

- Switching vendors would require costly replacement of existing hardware and systems.

Because of the system compatibility already in place with Duncan and Duncan's intimate knowledge of the City's citation processing, Duncan is the only reasonable and practicable source for the required parking citation goods and nonprofessional services contract.

Financial Considerations: Pricing for the first year of the proposed contract with Duncan for parking citation processing services shall not exceed \$1,229,619. Total fees may increase or decrease annually based on the Consumer Price Index, but not-to-exceed three percent per year. The total maximum amount for the five-year term of the contract with Duncan shall not exceed \$6,528,214.

There is sufficient funding available in the Fiscal Year (FY) 2019/2020 Department of Public Works, Parking Services Division's operating budget (General Fund, Fund 1001) to support the first year of the contract. Support for succeeding fiscal years shall be subject to funding availability in the adopted budget of the applicable fiscal year.

Local Business Enterprise (LBE): Duncan Solutions, Inc. is not an LBE. The LBE participation requirement has been waived by the Interim Director of Public Works.