



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: September 1, 2015

ITEM NUMBER: **CC-7**

**SUBJECT:** CONTRACT FOR PARKING TICKET CITATION PROCESSING SERVICES

**DATE:** August 5, 2015

**FROM:** POLICE DEPARTMENT – SUPPORT SERVICES/TRAFFIC

**PRESENTATION** ROBERT SHARPNACK, CHIEF OF POLICE

**BY:**

**FOR FURTHER INFORMATION CONTACT:** GREG SCOTT, LIEUTENANT

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## **RECOMMENDATION:**

Approve and authorize the Chief Executive Officer to execute the service agreement for parking ticket citation processing services through the City of Sausalito Performance Agreement with Data Ticket, Inc., effective September 1, 2015 through August 31, 2016, in an amount not to exceed \$125,000 annually, with the option to renew for four (4) additional one year terms, upon mutual agreement of both parties.

## **BACKGROUND:**

The City of Costa Mesa has maintained a professional service agreement with Data Ticket Inc. since August 1, 2010 for data processing, collection of fines, administrative reviews and hearings for parking citations issued by the Police Department. The current five-year agreement expired July 31, 2015. Since there were no remaining renewal options on the contract, it was determined that it was in the City's best interest to utilize an Inter-Agency Agreement option available with the City of Sausalito. The City entered into a month-to-month agreement with Data Ticket during the interim of obtaining City Council approval for the new contract.

The services provided by this contract include: on-line California DMV access and nationwide access for out of state DMV information, holds and releases, daily and delinquent collections, adjudication scheduling and services, and Franchise Tax Board interface for collections through the Interagency Intercept Program, as well as third party collections. This contract is critical in the maximizing revenue recovery.

## **ANALYSIS:**

Data Ticket is currently under contract with the City of Sausalito through May 13, 2020. The City of Sausalito awarded a contract to Data Ticket upon conclusion of a competitive bid process. This agreement, has provided a cost savings compared to the recently expired contract, and is considered the most efficient and cost effective solution.

## **ALTERNATIVES CONSIDERED:**

**Alternative 1:** The City could develop its own system for data processing, fine collection and administrative review and hears, however this option would require additional staffing to carry out all the necessary responsibilities. Additional costs would include computer programming development and maintenance, hardware, debt collection fees, postage and supplies. It is estimated that the costs for these responsibilities is to be performed by city staff would exceed the cost of the contract with Data Ticket and it is therefore not recommended; or

**Alternative 2:** The City Council may consider any other alternative not proposed by staff.

**FISCAL REVIEW:**

Payments for the services performed under this agreement are included in the budget. The total expenditures associated with this agreement are offset by the revenue generated from issued citations. The City paid Data Ticket \$60,375 in FY 2014-15. This amount is offset by \$760,870 in parking citation revenues, for net revenue of \$700,495.

**LEGAL REVIEW:**

Legal has reviewed the documents and approved them as to form and content.

**CONCLUSION:**

It is recommended that the City Council authorize the Chief Executive Officer to execute the service agreement between the City of Costa Mesa and Data Ticket, Inc. using the City of Sausalito Performance Agreement, as a cost effective method of procuring parking ticket citation processing services from an established vendor that will secure the City's ability to purchase specified services while meeting all procurement provisions set forth by the State of California and the City of Costa Mesa Procurement Policies. Using the existing cooperative agreement ensures all competitive bid and purchasing requirements have been met and that the vendor has already established proof on insurances and capabilities.

Staff recommends approving the service agreement (manual purchase order) for a one (1) year period, effective September 1, 2015 through August 31, 2016, and authorize the Chief Executive Officer to renew for four (4) additional one year terms, upon mutual agreement of both parties.

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Robert Sharpnack  
Chief of Police

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Greg Scott  
Lieutenant

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Stephen Dunivent  
Interim Finance Director

Attachments:

1. [Scope of Service and Performance Agreement](#)
2. [City of Sausalito Attachment 2 4C Fee Schedule](#)