



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: DECEMBER 11, 2018

FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL

SUBJECT: FIRST AMENDMENT TO AGREEMENT WITH TURBO DATA SYSTEMS, INC. FOR PARKING CITATION PROCESSING – EXERCISE TWO-YEAR EXTENSION OPTION THROUGH DECEMBER 31, 2020 IN THE AMOUNT OF \$662,300, FOR A TOTAL REVISED CONTRACT AMOUNT OF \$1,463,300

ISSUES:

Approval of the First Amendment to the Agreement with Turbo Data Systems, Inc. of Tustin, CA extending the agreement for an additional two-year period through December 31, 2020 for services that include administrative processing, collection of parking citation fines and management of the preferential parking zone permits, in the amount of \$662,300.

RECOMMENDATIONS:

That the City Council:

- 1) Approve the First Amendment to Agreement with Turbo Data Systems, Inc. extending the agreement for an additional two-year term through December 31, 2020 in the amount of \$662,300; for a total revised contract amount of \$1,463,300; and
- 2) Authorize the City Manager, or his designee, to execute the First Amendment to the Agreement with Turbo Data Systems, Inc. of Tustin, CA including making minor, non-substantive changes.

BACKGROUND:

In December 2015, the City of Riverside entered into a three (3) year agreement with Turbo Data Systems, Inc. (TDS) for the processing and collection of parking citation fines. The current contract is set to expire on December 31, 2018.

TDS currently provides services that include:

- 1) Citation processing
- 2) Collection of fines
- 3) Issuance of notification letters

- 4) Facilitating administrative hearings for citation appeals
- 5) Provide handheld citation devices
- 6) Automating, issuing and tracking PPZ permits
- 7) Customer Service Center

TDS is proposing to increase prices based on the Consumer Price Index (CPI), Los Angeles area, which is 3.9% as outlined in their agreement. The proposed rate changes are as follows:

Processing Cost per Citation		
	Current	Proposed
Citation Processing	0.40	0.42
Notices/Letters	0.40	0.42
ICS Collection Services	30% of Amount Collected	31% of Amount Collected
Out-of-State Collections	30% of Amount Collected	31% of Amount Collected
Paperless Appeals	1.50	1.56
Appeal Response Letters	0.81	0.84
Hearing Examiner Services	25.00	26.00
Franchise Tax Board Letters	2.50	2.60
Franchise Tax Board Processing	15% of Amount Collected	16% of Amount Collected

Permit Management		
	Current	Proposed
Permit Processing Fee (TDS)	1.50	1.56
Permits Ordered Online	0.50	0.52
Renewal Notifications	1.50	1.56
Permit Fulfillment (mailing)	1.50	1.56
Online Credit Card Fee	3.00%	3.11%

The total cost of services provided by TDS will depend on the volume of citations and permits issued. TDS is compensated based on actual services performed for the processing of citations and collection of revenue. The term of the extension is for two (2) years from January 1, 2019 to December 31, 2020 with one, additional two-year option to extend, based on satisfactory performance.

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution 23256.

FISCAL IMPACT:

The estimated annual cost for parking citation processing services is approximately \$331,150 per calendar year, for a total agreement amount of \$662,300. The citation processing costs are funded by the citation revenue and the revenue collected exceeds the cost of the services.

Sufficient funding is available in Parking Services account number 4151000-421000 for the FY 2018/19 estimated cost increase of \$3,075 to cover the expense.

Prepared by: Kris Martinez, Public Works Director
Certified as to
availability of funds: Edward Enriquez, Interim Chief Financial Officer/City Treasurer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments: First Amendment to Agreement for Parking Citation Processing & Payment
with Turbo Data