

Council Meeting of  
November 22, 2011

Honorable Mayor and Members  
 Of City Council  
 City Hall  
 Torrance, California

Members of Council:

**SUBJECT: Approve contract extension to provide parking citation services.  
 Expenditure: Not to exceed \$40,000.00**

**RECOMMENDATION**

Recommendation of the City Treasurer that the City Council approve the one year extension to the contract agreement with the City of Inglewood (C2007-188) to provide parking citation management services beginning November 1, 2011 through October 31, 2012.

**FUNDING**

Funding is available in the FY 11-12 City Treasurer's Operating Budget.

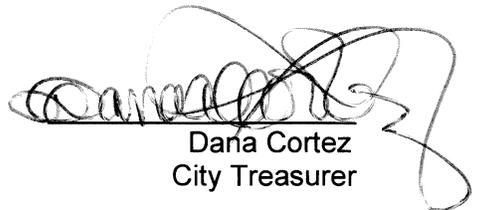
**BACKGROUND and ANALYSIS**

City of Inglewood has provided a complete menu of services for parking citation services and this extension of the existing agreement is for one year.

The City of Torrance currently contracts for "Citation Management" services from the City of Inglewood. The City of Inglewood provides Citation Management Services under our Government-2-Government (G2G) outsource service program know as Inglewood Citation Management Services (ICMS). The service is used by approximately 70 public agencies in California. By being part of this cooperative purchasing group we were able to negotiate competitive pricing for a superior product. In addition after further review of our services we were able to modify our contract to obtain an additional \$2000.00 in annual savings.

Over the course of our contract, the City of Inglewood has provided us more than adequate service by not only assisting us in refining our contract to assure a savings of \$2000, but also in providing us a platform to help meet our goal of going green.

Respectfully submitted,



Dana Cortez  
 City Treasurer

Noted:



LeRoy J. Jackson  
 Investment Committee Member

Finance Director's Note:

The City spent \$38,000 for contract ending 10/31/11. It is projected that \$40,000 will be spent for the contract term 11/01/11 - 10/31/12.

CC: City Manager  
 City Clerk

Attachment: Service Agreement Change Notice



<b>Service Agreement Change Notice</b>		Contract No. 08-16 dated 01/29/2008
ISSUED BY: Parking & Outsource Services Department Inglewood Citation Management Services P.O. Box 4367 Inglewood, CA 90309 Attn: Dean Viereck, Manager		Change Notice: No. 11-002
		Requisition No.: N/A
		Effective Date: 11/1/2011
Contract Title: Parking Citation Management Services for City of Torrance		
Reference Document Attached: Exhibit A schedule of current services and rates.		
Contract Adjustment: The Contract Amount is: <input checked="" type="checkbox"/> Not Changed <input type="checkbox"/> Increased <input type="checkbox"/> Decreased In the total amount of: \$	Contract Term: The Contract Time is: <input checked="" type="checkbox"/> Increased <input type="checkbox"/> Decreased <input type="checkbox"/> Not Changed Revised Contract Expiration Date is: 10/31/2012	
Description of Change: Authorize the extension of the Citation Processing and Collections Service Agreement between City of Inglewood and City of Torrance an additional 12 month period of November 1, 2011 through October 31, 2012.		
Contract Authority for Change: Agreement 08-16 authorizes renewing contract for an additional 12 months. This change notice confirms extension.		
Background Information: (If needed) Client Agencies have the option to extend services and add services during the term of the ICMS citation processing and collections service agreement. The City of Torrance has requested the current service agreement be extended and is not changing any services at this time.		

**SIGNATURES:**

The undersigned affirms that he or she has the authority to execute this Change Notice on behalf of the agency he or she represents.

Accepted By:

CONTRACTOR: CITY OF INGLEWOOD, CA

By: \_\_\_\_\_

DEAN VIERECK,  
MANAGER PARKING & OUTSOURCE  
SERVICES

By: \_\_\_\_\_

MICHAEL D. FALKOW  
ASSISTANT CITY MANAGER

Accepted By:

CLIENT AGENCY: CITY OF TORRANCE

CITY OF TORRANCE,  
a municipal corporation

By: \_\_\_\_\_  
Frank Scotto, Mayor

ATTEST:

\_\_\_\_\_  
Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III  
City Attorney

**CONTRACTOR'S RECEIPT OF AN EXECUTED COPY OF THIS FORM SHALL SERVE AS A CONTRACTOR'S OFFICIAL NOTICE TO PROCEED WITH THE CHANGE TO WORK INCLUDED HEREIN.**

## EXHIBIT A

1	<b>Client: City of Torrance (as of 11/01/2011)</b>		
2			
3	Citation Processing 50 K to 100K Citations per Year	<b>Rates (12)</b>	<b>Selected</b>
4	<b>Citation Processing</b>		
5	Citation Processing (2)	\$1.56	YES
6	<b>Customer Services</b>		
7	Manual Citation Imaging/Data Entry	\$.25	NO
8	Postage, printing & handling - Postcard Type Notice (3)	\$.39	YES
9	Postage, printing & handling - Postcard Type Delq. Notice (3)	\$.39	NO
10	Postage, printing & handling - Letter Type Notice (3)	\$.64	NO
11	Postage, printing & handling - Letter Type Delq. Notice (3)	\$.64	YES
12	Customer Service - per citation entered (4)	\$.23	NO
13	Administrative Support - per citation entered (4)	\$.42	NO
14	Lockbox Processing - per payment processed (5)	\$.42	NO
15	Lockbox Payment Adjustment (5)	\$.42	NO
16	Payment Exception Processing (6)	\$.19	NO
17	Phone Payments - Client's Merchant Acct (7)	\$1.09	YES
18	Phone Payments - Duncan Merchant Acct (8)	\$2.76	NO
19	Phone Payments - Duncan Merchant & Bank Acct (9)	\$3.00	NO
20	Internet Payments - Client's Merchant Acct (7)	\$1.09	YES
21	Internet Payments - Duncan Merchant Acct (8)	\$2.76	NO
22	Internet Payments - Duncan Merchant & Bank Acct (9)	\$3.00	NO
23	AutoPROCESS Lockdown by IP Address	\$250.00 per mo	NO
24	<b>Obtain RO From DMV</b>		
25	Obtain California Registration information (10)	At Cost	YES
26	Obtain Out-of-State Registration information (10)	\$.98 to \$4.50	YES
27	<b>Collection Services (11)</b>		
28	FTB "Limited" Service	15% + \$3.00	NO

1	FTB Full-Service	35%	NO
2	Comprehensive Collection Services	35%	YES
3	Civil Filing Collection Services	45%	NO
4	<b>Hosted Software Subscription Services</b>	<b>Categories</b>	
5	a. Citation Processing System Multi-Media Integration with 2	\$2,500 setup	Quote
6	GB storage and requires AutoCITE X3 with digital camera and	\$250/mo	
7	voice recorder and hosted AutoISSUE (14)		
8	b. Hosted Website for Violator View of Citation Images with	\$1,500setup	Quote
9	payment forms and requires multi-media service. (14)	\$150/mo	
10	c. Hosted Website for Violator Online Administrative Review	\$2,500 setup	YES
11	Request including workflow processing and document upload	\$135/mo	
12	(14)		
13	d. Hosted Website for Violator Online Administrative Hearing	\$2,500 setup	Quote
14	Request including workflow processing and document upload.	\$150/mo	
15	(14)		
16	e. Correspondence Image Capture and Workflow Using	\$2,000 setup	YES
17	DocuPeak™ hosted application platform and ScanBench (15)	\$315/mo	
18	f. Management Web Service Dashboard with standard 4 data	\$1,500 setup	Quote
19	fields (14)	\$215/mo	
20	g. Multi-Media – Additional Storage Capacity 5 GB (14)	\$115/mo	Quote
21	h. Online Parking Permit Renewal or Purchase (14)	Quote	Quote
22	<b>Other Equipment - (13)</b>		
23	PC Equipment	Cost + 10%	Quote
24	Handheld Citation Writer - Duncan Solutions AutoCite X3	10% Discount	Quote
25	Parking Meters	10% Discount	Quote
26	Kiosk for Self Service		Quote
27	Automated License Plate Recognition (LPR) Equipment		Quote
28	Cashier Module Equipment and Customization (12)		Quote

1	<b>Other Services - Scope of Work/Quote Required (16)</b>		
2	Dedicated Customer Service Staff		Quote
3	Correspondence Administrative Review Temp Services		Quote
4	Onsite Technical Staff		Quote
5	Payment Courier Service Charge per Bank Delivery) (18)	TBD	Quote
6	Custom Programming (plus travel + expenses)	\$125/hr	Quote
7	Parking Permit Processing (13)		Quote
8	Auxiliary Mail Payment Processing Services		Quote
9	Automated License Plate Recognition Services		Quote
10	Boot and/or Tow Program Services		Quote
11	On-street Parking Meter Management Services		Quote
12	On-street Parking Enforcement Services		Quote
13	Off-street Parking Enforcement Services		Quote

14  
15 **NOTES**

- 16 1. Each Client approves a contract with Inglewood for reimbursement of cost of citation  
17 processing services based on the Client's service level and volume. Clients can modify their  
18 scope of services to add or stop individual services by issuing written change notice to  
19 ICMS. Fees for services in Exhibit A include all Inglewood direct cost, administrative costs  
20 to and indirect costs for providing citation management services. See notes for additional  
21 details about fees and administrative charges.
- 22 2. The fee for use of the AutoPROCESS System is a transaction charge per citation  
23 processed. The rate charged is dependent on the Clients annual citation volume.  
24 Determination of "volume" is based on a Client's citations processed during the prior  
25 calendar year.
- 26 3. Rates for notice printing and mailing include postage at the current prevailing rate. This  
27 service fee will be adjusted to offset any increase in the standard U.S. first class postage  
28

1 rate in the future. Client will be notified of postal rate changes and the impact on service  
2 fees for letter and post card notices as they occur.

3 4. Customer service is an optional service with charges based fixed fee per total citations  
4 processed. Two (2) levels of service are available. If Client select the Administrative  
5 Support level, the Client shall receive the following services: call center services with a toll  
6 free number for violators to call with citation inquiries, interactive voice response service for  
7 inquiry on outstanding citations and frequently asked questions, correspondence services  
8 including processing of all in-bound correspondence from customers, scheduling of  
9 administrative review and hearing requests and resolution of, administrative reviews when  
10 required and online forms for customers' correspondence.

11 5. Lockbox payment processing is an optional service with charges based on citation  
12 payments processed. Funds collected will be deposited to a Client's designated bank  
13 account or mailed to the Client based on mutual agreement of the preferred method. The  
14 Client is responsible to notify Inglewood if a NSF check situation occurs and they wish to  
15 reinstate the amount due, plus any NSF fee they wish to impose. The Client has the option  
16 to request a charge to customers be added to the amount due for the citation.

17 6. Payment exception processing services relates to Lockbox payment processing services  
18 with charges based on actual transactions processed. The notice letter fee applies when a  
19 letter to customer is required.

20 7. The ICMS fee of \$1.09 per transaction for Internet and IVR payment processing includes  
21 system use, telephone usage charges. Client is responsible for charges for merchant  
22 service fees, bank charges and credit card discount fees. Net proceeds will be transferred  
23 to the Client's designated bank account or paid on agreed upon scheduled. Clients have  
24 option to add a customer convenience fee to the transactions to recover cost of this  
25 automated payment services.

26 8. The ICMS fee of \$2.76 per transaction for Internet and IVR payment processing  
27 includes system use, telephone usage charges. This fee includes charges for  
28 merchant service fees, bank charges and credit card discount fees. Net proceeds will

1 be transferred to the Client's designated bank account or paid on agreed upon scheduled.  
2 Clients have option to add a customer convenience fee to the transactions to recover cost of  
3 this automated payment services.

4 9. The ICMS fee of \$3.00 per transaction for Internet and IVR payment processing  
5 includes system use, telephone usage charges. This fee includes charges for merchant  
6 service account and associated fees, bank charges and credit card discount fees. Net  
7 proceeds will be transferred to the Client's designated bank account minus the convenience  
8 fee revenue and provide a daily transaction report. The Internet payment screens and IVR  
9 scripts are modified to reflect the convenience fee is assessed by the vendor, not the Client.

10 10. Costs to ICMS for obtaining out of state registered owner information will be billed based on  
11 the actual charges incurred from provider of this information.

12 11. Three (3) levels of optional delinquent account secondary collection services are available.  
13 Client has the option of adopting collection fee charged to customer to offset collection  
14 costs. Details on these services and rates are available in Exhibit "C" of this Agreement.

15 12. The Client is billed for the cost of system customization, such as building cashiering  
16 interface, at the custom programming hourly rate with no additional administrative fee. All  
17 customization or special one-time services must be documented in writing with a work order  
18 and cost estimate prior to initiating the work. All reasonable out of pocket expenses and  
19 travel expenses related to this service will be reimbursed by the Client upon submittal of  
20 receipts.

21 13. The AutoPROCESS includes capability to issue and track parking permits. Use of this  
22 module is available at no additional cost. If the Client wishes to outsource the fulfillment of  
23 parking permits and processing of payments, ICMS can provide a proposal for these  
24 services, including purchasing of permit stock ICMS offers Client the option to use discounts  
25 price schedule for equipment, supplies and services. The equipment, supplies and services  
26 can be quoted by the ICMS contractor Professional Account Management LLC (Duncan  
27 Solutions). Duncan Solutions may offer Client flexible financing terms including monthly  
28 lease-purchase pricing. Prices will vary bases on number of devices, equipment

1 configuration, peripherals, sales tax rate, length of agreement, shipping costs, installation  
2 costs, extended warranty cost and technical support requirements. A confirming purchase  
3 order needs to be issued by the Client to confirm terms, pricing and services.

4 14. Multi-media, hosted web services and dashboard systems require a price quote. The initial  
5 cost and monthly subscription fee for hosted IT service and base data/image storage quoted  
6 is based on projected volume for a Client Agency and their document retention plans.

7 15. ICMS offers Clients the option to use discount price schedules for equipment, supplies and  
8 professional services. The DocuPeak™ business process automation platform and related  
9 professional services can be quoted by the ICMS. Pricing options may include software as  
10 a service or licensed on-premise use of DocuPeak™. Prices may vary based on number of  
11 end users and data/image storage requirements, complexity of application, application  
12 configuration, training and on-going technical support.

13 16. ICMS offers a number of optional services that can be provided to Client Agencies to  
14 supplement their staffing, work on backlog and provide revenue enhancement services.  
15 These services require a scope of work and price quote.

16 17. ICMS citation processing and service fees are subject to an annual COLA increase  
17 based on U.S. Department of Labor All Items Los Angeles-Riverside-Orange County CA  
18 area consumer price index, with a not to exceed limitation of 3.5% per year. The COLA  
19 can be applied as of July 1, 2009 and each July 1st thereafter.

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