

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

Council Meeting Of  
May 15, 2007

**Members of the Council:**

**SUBJECT: Transit – Amendment to Agreement (C2005-104) with AT Systems West Incorporated for fare revenue pickup and daily cash pickup**

**Expenditure: \$50,000 (Transit Department)  
\$4,000 (City Treasurer's Office)**

**RECOMMENDATION:**

Recommendation of the Transit Director and the City Treasurer that Council approve an Amendment to Agreement C2005-104 with AT Systems West Incorporated to provide fare revenue pickup and daily cash pickup.

**FUNDING**

Funding is available in both the Transit Department's FY2007-09 operating budget and the City Treasurer Department's 2007-09 operating budget.

**BACKGROUND:**

On June 7, 2005, Your Honorable Body approved a two year agreement (C2005-014) with AT Systems West, Inc. to provide fare revenue pickup and processing for the Transit Department, and the daily cash pickup and deposit service for the City Treasurer's Office. (ATTACHMENT A) Discussions between Transit and the City Treasurer's Office led both departments to conclude that a single contract with the vendor would be more mutually beneficial than the previous arrangement of separate contracts for each department. This method for the transporting, processing and depositing of cash was found to be more cost effective than utilizing City personnel.

Under this agreement, AT Systems West, Inc. was compensated \$50,000 annually by the Transit Department to pickup and process transit fare revenue. The daily cash deposit and pickup service provided to the City Treasurer's Office – at an annual fee of \$4,000 – was paid through Bank of America by using the City's compensating balance account.

The date of this agreement was from July 1, 2005 to June 30, 2007, with the option of a third year extension with all terms and conditions remaining the same.

**ANALYSIS:**

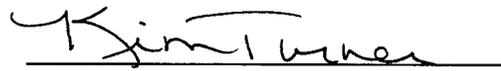
The Transit Director and the City Treasurer are satisfied with the services rendered by this contractor and wish to exercise the option of extending the contract for another year. AT Systems West, Inc. has also agreed to a one year extension of the agreement.

ATTACHMENT B of this item is an Amendment to extend the date of the contract until June 30, 2008. The contractor's annual compensation rate of \$50,000 (Transit) and the annual fee of \$4,000 (City Treasurer's Office) will remain the same. All other aspects of the agreement are unchanged and are reaffirmed and in full force and effect.

Respectfully submitted,



Linda Barnett  
City Treasurer



Kim Turner  
Torrance Transit Director

CONCUR:



LeRoy J. Jackson  
City Manager

Attachments:

- A. Excerpts from the Minutes of the 06/07/05 Regular Meeting of the Torrance City Council
- B. Amendment to Service Agreement C2005-104

**EXCERPT OF MINUTES** Minutes Approved

June 7, 2005

**MINUTES OF AN ADJOURNED REGULAR  
MEETING OF THE TORRANCE CITY COUNCIL****1. CALL TO ORDER**

The Torrance City Council convened in an adjourned regular session at 6:02 p.m. on Tuesday, June 7, 2005 in City Council Chambers at Torrance City Hall.

**ROLL CALL**

Present: Councilmembers Lieu, Mauno McIntyre, Nowatka, Scotto, Witkowsky and Mayor Walker.

Absent: None.

**7L. CONTRACT SERVICES AGREEMENT WITH AT SYSTEMS WEST, INC.****Recommendation**

Recommendation of the **Acting Transit Director** and the **City Treasurer** that City Council approve and authorize the Mayor to execute and the City Clerk attest to a two-year contract services agreement with AT Systems West Incorporated for the following services (RFP B2005-29):

- 1) Processing and bank deposit of Transit System Revenue for a cost not to exceed \$50,000 in Fiscal Year 2005-2006 and \$50,000 in Fiscal Year 2006-2007; and
- 2) Daily deposit pickup at the City Treasurer's Office and scheduled pickup at the Transit Department for a cost not to exceed \$4,000 in Fiscal Year 2005-2006 and \$4,000 in Fiscal Year 2006-2007.

**MOTION:** Councilmember Witkowsky moved for the approval of Consent Calendar Items 7A through 7L. the motion was seconded by Councilmember Witkowsky and passed by unanimous roll call vote.

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## AMENDMENT TO AGREEMENT (C2005-104)

This Amendment to Agreement ("Amendment") is made and entered into as of July 1, 2007 ("Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY") and AT Systems West, Inc., A California Corporation ("CONTRACTOR").

### RECITALS:

- A. The CITY previously circulated a Notice Inviting Bids for the processing and bank deposit of transit system revenue and the daily cash deposits for the City of Torrance, Notice Inviting Bids No. B2005-17 (the "NIB").
- B. CONTRACTOR submitted a Bid (the "Bid") in response to the NIB. In its Bid the CONTRACTOR represented that it is qualified to perform those services requested in the NIB. Based upon its review of all Bids submitted in response to the NIB, the CITY awarded the Agreement to CONTRACTOR.
- C. The Agreement entered into was for an amount not-to-exceed \$50,000 in Fiscal Year 2005-2006 and not-to-exceed \$50,000 in Fiscal Year 2006-2007. The agreement terminated on June 30, 2007.
- D. In CONTRACTOR's Bid CONTRACTOR indicated it would agree to renew the Agreement for a third year. Both parties at this time desire to extend the Agreement for an additional one-year term.

### AGREEMENT:

1. Paragraph 2, entitled "**TERM**," is amended to read in its entirety as follows:

"Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through June 30, 2008."

2. Paragraph 3A, entitled "COMPENSATION" is amended to read in its entirety as follows:

"A. CONTRACTOR'S Fee.

For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with the CONTRACTOR's Bid, however, that in no event will the total amount of money paid the CONTRACTOR, for services initially contemplated by this Agreement, exceed the sum of \$50,000 ("Agreement Sum"), unless otherwise first approved in writing by CITY."

3. In all other respects, the Agreement between CITY and CONTRACTOR, is ratified and reaffirmed and is in full force and effect.

CITY OF TORRANCE,  
a municipal corporation

AT Systems, Inc.  
a California corporation

\_\_\_\_\_  
Frank Scotto,  
Mayor

By: \_\_\_\_\_  
Carla Margeson  
Account Executive

ATTEST:

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

APPROVED AS TO FORM:

JOHN L. FELLOWS III  
City Attorney

By: \_\_\_\_\_  
Deputy City Attorney