



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
January 16, 2024

TOPIC: Automated Parking Citation and Processing Services

AGENDA TITLE

Approve a First Amendment to Agreement with Data Ticket, Inc. (General Fund)

RECOMMENDED ACTION

Authorize the City Manager to execute the first amendment to the agreement with Data Ticket, Inc. for automated parking citation and processing services for an additional amount of \$730,351.69, for a total aggregate amount not to exceed \$2,000,000 for the remaining term of the agreement expiring February 14, 2025 (Agreement No. A-2024-XXX).

GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

In February 2022, the City Council approved a three-year agreement with Data Ticket, Inc. after a competitive Request for Proposal process to provide automated parking citation and processing services on behalf of the Traffic Division of the Santa Ana Police Department. Data Ticket, Inc.'s services include managing the parking citation database, sending out daily notices for payment collection, and hosting a full-service, bilingual customer service call center that allows motorists to obtain general information regarding the citation process and specific information on particular citations. Data Ticket, Inc. has been the City's provider of these services since 2017 and continues to perform in a professional and competent manner.

The original term of the agreement covers the three-year period of February 2022 through February 2025, with two one-year extension options. Based on the current fee trajectory, the projected total expenditures will exceed the total budgeted aggregate cost payable to Data Ticket for collection by next month.

The original agreement budgeted costs were based on California Franchise Tax Board (FTB) and Data Ticket delinquency collections data from 2020 and 2021, during the height of the pandemic. Throughout calendar year 2022 and 2023, the City has experienced a consistent and higher degree of individuals failing to pay their citations timely, resulting in an increase in collections through FTB and Data Ticket's delinquency

program. This trend has been consistent to date and the increased monthly costs are directly attributable to the increased collection efforts.

The original agreement also included automatic and immediate increases in the fees for letters and notices sent via the United States Postal Service (USPS) if postal rates increased during the term of the agreement. Since February 2022, the USPS has announced four price increases totaling an additional ten cents per First-Class Mail.

The amendment for the additional \$730,352 will be sufficient to cover the increased fees through the end of the initial three-year period ending in February 2025. The total three-year agreement not-to-exceed amount will increase from \$1,269,648 to \$2,000,000. If the vendor continues to perform well, a future amendment to the agreement will be brought before City Council for consideration of the first one-year extension and corresponding increase in the contract authority.

FISCAL IMPACT

The current fiscal year funding is available in the FY 2023-24 budget and future fiscal year funding will be included in the proposed budgets for City Council consideration as follows:

Fiscal Year	Accounting Unit – Account No.	Fund Description	Accounting Unit – Account No. Description	Amount
FY 23-24 (Jan.-June)	01114405-62300	General Fund	Traffic Division, Contract Services- Professional	\$295,000
FY 23-24 (Jan.-June)	02718131-62300	Parking Fund	Parking Meter, Contract Services- Professional	\$ 5,000
FY 24-25 (July-Feb.)	01114405-62300	General Fund	Traffic Division, Contract Services- Professional	\$390,000
FY 24-25 (July-Feb.)	02718131-62300	Parking Fund	Parking Meter, Contract Services- Professional	\$ 40,352
Total				\$730,352

The amounts above are estimated projections and are subject to change.

EXHIBIT(S)

1. First Amendment with Data Ticket

Submitted By: Robert Rodriguez, Acting Police Chief

Approved By: Tom Hatch, Interim City Manager