

CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: August 11, 2021

To: Honorable City Council
c/o City Clerk, Room 395, City Hall
Attention: Honorable Mike Bonin, Chair, Transportation Committee

From: Seleta J. Reynolds, General Manager 
Department of Transportation

Subject: **STATUS OF THE PARKING CITATION PROCESSING REQUEST FOR PROPOSALS**

SUMMARY

In response to Council File (CF) 20-1365, this report provides an update on the status of releasing a Request for Proposals (RFP) for Parking Citation Processing and Collection Services. LADOT will include new technology and service options to assist individuals who may be in need of payment plans in this RFP, scheduled for release in December 2021.

RECOMMENDATION

That the City Council, subject to concurrence by the Mayor:

INSTRUCT the LADOT General Manager to release an RFP for Parking Citation Processing and Collection Services by December 31, 2021.

BACKGROUND

LADOT issued an RFP for the parking citations processing, collection services, and related systems support and services in February 2012. On September 26, 2014, LADOT entered into an Operating Agreement (C-124676) with Conduent for parking citations processing, collection services, and related systems support and services. On December 23, 2019, LADOT and Conduent entered into a second amendment to extend the terms of the agreement for an additional year. The second amendment expired on September 25, 2020. Per the terms of the original contract, services are continuing on a month-to-month agreement to avoid any interruptions while a third amendment is under consideration by the City Council (CF 13-0586).

In June 2021, LADOT provided a report to Council that outlined economic relief programs LADOT currently offers and plans to offer in the future as part of new requirements in the upcoming RFP. At that time, Council directed LADOT to report back with recommendations to include new technology and service options to assist individuals who may be in need of payment plans, and release an RFP by September 2021.

DISCUSSION

Prior to the COVID 19 pandemic, LADOT was scheduled to release an RFP for parking citation processing, collection services, and related support services prior to the September 2020 Conduent contract

expiration date. However, in response to the Declaration of Local Emergency on March 6, 2020, LADOT redirected staff, including those who directly supported the RFP development, to address critical needs and develop COVID 19-related citation relief programs. Further, potentially changing service providers through a contract transition during a pandemic could have negatively impacted customer support services since Conduent did extensive programming to support LADOT's COVID 19 parking citation relief programs.

Due to these extenuating circumstances, LADOT was forced to postpone the release of the RFP. Our current estimated goal for releasing the RFP is late December 2021. The pandemic fundamentally changed and influenced how customer service programs will be implemented in the future, and LADOT will work to incorporate these nuances in its forthcoming RFP.

RFP Development and New Technology and Service Options

LADOT is currently performing an operational needs assessment for the citation and permit management program. This assessment is based upon a comparative review that addresses technology, staffing, and organizational requirements. LADOT plans to issue a Task Order Solicitation (TOS) that will expedite the remaining development of the Scope of Work (SOW) to incorporate industry best practices, performance metrics and penalties, and the latest technology. Upgrades to current parking permit management, enforcement, adjudication, collections, and customer experience processes based on industry best practices will allow the City to effectively anticipate and respond to these changes. The completed assessment with consultant support will allow LADOT to develop a comprehensive SOW to incorporate into the RFP.

Overview of the SOW

The SOW will focus on areas that are fundamental to the citation processing and permit programs, which are outlined below. The successful contractor will be responsible for operating the customer service Parking Violations Bureau; providing a sophisticated parking management information system; providing security for both physical facilities and City data; and providing technical support for the City's parking enforcement and parking permit management systems.

1. Parking Violations Bureau

The Parking Violations Bureau's major operations are processing new parking citations and resolving citation issues promptly for residents, visitors, and guests of the City. LADOT expects these services to be provided via phone, web, cell phone applications, mail, and in-person. Customer experience is a top priority for the parking management SOW, which includes payment options, ease of online processing, providing socially responsible programs, and delivering excellent in-person support. Recommended technology related customer service enhancements will include:

- Customer Portal - a user-friendly parking web/mobile portal that can be easily updated and provides quick access to parking citation information (photos, violation information, processing instructions, etc.), adjudication, and permit processes.
- Enhanced Payment Options - customer-friendly payment options via web/mobile platforms that allow motorists to make multiple payments, as part of their approved low-income installment payment plan.
- Expanded Installment Payment Plans - an installment payment plan that allows any motorist to qualify, regardless of income. This option will require motorists to sign up for

an auto-pay option (direct debit or credit card payment) that can be administered through a web/mobile payment app.

- Enhanced Customer Service Availability - customer communication options such as 1) incorporating chat support, which offers motorists a messaging app or online chatbot option, and 2) implementing a call center callback feature, which gives motorists the ability to opt-out of call waiting queues and be called back later.

2. *Parking Citation Management Information System*

The contractor shall implement a complete data processing system that is capable of processing a range of 2 million to 3 million parking citations per year. Citation processing includes all phases of the citation processing cycle, from initial issuance (via electronic device or handwritten citation) to final closure by payment, dismissal, void, or other disposition. All citation processing data should be available for ad-hoc queries and standard reports. LADOT expects the processing system to provide user-friendly navigation tools, web-based access for remote processing, and the ability to integrate with other City curb management systems and future technologies.

3. *Parking Enforcement Support*

LADOT expects the contractor to provide technical and management services to support the Department's Parking Enforcement program. Services include providing robust electronic wireless handheld devices capable of issuing parking citations, processing impounds or booted vehicles, and managing traffic officer activity. The devices are expected to allow traffic officers to issue citations with ease and ensure that the integrity of the data is maintained and accurately recorded in the parking citation management system. LADOT aims to enhance parking enforcement services by leveraging technology to improve the reporting and processing of abandoned vehicles and impounds, and enhance the post-impound hearing process.

4. *Adjudication Support*

Parking Violations Bureau and the parking citation management information system must provide complete support of the City's adjudication process, for both initial review and hearing stages, utilizing policies and procedures specified by the City, for all contested citations. Technological enhancements expected in the SOW include:

- Providing motorists web/mobile parking citation contesting options that are easy to navigate and understand.
- Providing tools to offer virtual/remote adjudication hearing options, if continued to be authorized by State law.

5. *Permit Management*

The City is authorized by ordinance to create neighborhood preferential, overnight, and oversized vehicle parking districts, which restricts parking to residents that purchase parking permits for themselves and/or their guests. The SOW will continue LADOT's progress with providing automated renewal options, web/app request and purchase options, and other tools necessary to enhance the customer experience.

The SOW will also include other areas that are critical to the success of the program, which include but are not limited to the following:

- Performance metrics, enhanced reporting and service level agreements for contractor accountability and quality assurance; and

- Expanded collections program for delinquent accounts, including integration with the DMV and the Franchise Tax Board.

Once LADOT completes the SOW, City mandated reviews must occur before an RFP can be released. This includes:

- Charter 1022 Determination by the Personnel Department
- Charter 1022 Feasibility Study by the Office of the City Administrative Officer
- Mayor's Executive Directive 3 review and approval
- Risk Management review for insurance requirements
- City Council 10 day RFP review period where if no action is taken within the 10 day period, the City can release the RFP

Most of the aforementioned reviews occur outside of LADOT's control and will most likely take several weeks or months for approval. Therefore, LADOT recommends extending the release of the RFP until December 31, 2021 to ensure full compliance with all City contracting requirements.

The City of Los Angeles is one of the leading parking citation processing agencies in the nation and was recently recognized by two prominent parking industry associations, 1) the International Parking & Mobility Institute, where LADOT received the 2021 Professional Excellence Award, and 2) the National Parking Association, where LADOT received the 2020 Innovative Parking Organization of the Year. Both awards recognized LADOT for transforming the City's parking citation program by focusing resources toward adopting socially oriented parking policies and creative relief programs. LADOT will continue to lead the parking industry and provide services at a high standard.

FISCAL IMPACT STATEMENT

In FY 2021, LADOT generated approximately \$94 million in parking citation revenue that was deposited into the General Fund. The cost to provide parking citation processing services is an average of \$8.6 million per year under the current citation processing contract. A new five-year base contract is anticipated to cost approximately \$50 million for the duration of the contract. This cost would be paid for by the General Fund.

SJR:KH:mg