TRANSPORTATION COMMITTEE REPORT relative to the status of releasing a Request for Proposals (RFP) for parking citation processing and collection services.

Recommendation for Council action:

INSTRUCT the General Manager, Los Angeles Department of Transportation (LADOT) to release an RFP for parking citation processing and collection services by December 31, 2021.

<u>Fiscal Impact Statement</u>: The LADOT reports that in Fiscal Year 2021, it 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.

Community Impact Statement: Yes

For:

Arroyo Seco Neighborhood Council Hollywood Studio District Neighborhood Council Silver Lake Neighborhood Council

## Summary:

On August 17, 2021, your Committee considered an August 11, 2021 LADOT report relative to the status of releasing an RFP for parking citation processing and collection services. According to the LADOT, in February 2012, it issued an RFP for the parking citations processing, collection services, and related systems support and services in February 2012. On September 26, 2014, the LADOT entered into an operating agreement (Contract No. 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 to continue on a month-to-month agreement to avoid any interruptions while a third amendment is under consideration by the City Council (Council File No. 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.

Prior to the COVID 19 pandemic, the 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, the 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, the LADOT was forced to postpone the release of the RFP. The LADOT's 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. After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendation detailed in the LADOT report, as detailed in the above recommendation. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

**Transportation Committee** 

COUNCILMEMBER VOTE
BONIN: YES
KORETZ: YES
BUSCAINO: ABSENT

ARL 8/17/21

-NOT OFFICIAL UNTIL COUNCIL ACTS-