



CITY OF
**PALO
ALTO**

City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: Police

Meeting Date: April 1, 2024

Report #:2402-2689

TITLE

Approval of Amendments with Professional Account Management LLC, dba Duncan Solutions for Contracts C17164727 and C19171363A for a Combined Additional Amount of \$60,000 (Total not to exceed of \$860,000 and \$767,000 respectively) and to Extend the Contract Terms to December 31, 2024 (total term of eight and five years respectively), for Parking Permitting and Citation Management Services; CEQA Status – Not a Project.

RECOMMENDATION

Staff recommends that the City Council approve and authorize the City Manager or designee to execute the following amendments to the referenced contracts below with Professional Account Management/dba Duncan Solutions, to include extending the end dates of both contracts to December 31, 2024:

- 1) Amendment #4 to Contract Number C17164727 for an addition of \$60,000, updating the not-to-exceed (NTE) from \$800,000 to \$860,000 and originally scheduled to end April 28, 2024 for a total term of approximately eight years; and
- 2) Amendment #2 to Contract Number C19171363A with no addition to the existing NTE amount of \$767,000 and originally scheduled to end March 31, 2024 for a total term of approximately 5 1/2 years.

BACKGROUND

Parking enforcement throughout the city is divided between the two departments.

- PAPD is primarily responsible for timed parking enforcement in commercial zones and enforcing the state vehicle code and city municipal code throughout the city. PAPD provides enforcement with Community Service Officers.
- OOT is primarily responsible for enforcing the municipal code as it relates to the Residential Preferential Parking (RPP) program. OOT contracts the parking enforcement service to a service provider (currently Laz) and manages the parking permit program.

Both departments, along with the Administrative Services Customer Service/Revenue Collections team, use a service provider to process and collect fees and fines for the issued permits and citations.

On May 13, 2019, the City Council heard and accepted a report with 35 recommendations to Palo Alto's parking management. The parking study included recommendations on workplans, outreach, stakeholder process, and prioritization of programs¹. This comprehensive report included, among others, establishing the OOT and evaluate the consolidation of the parking compliance functions in the Police Department and the Office of Transportation. While staff are still evaluating a consolidation plan, having OOT manage the parking contract is progress.

The following is the contract history for the respective contracts totaling \$1.3 million:

PAPD contract C17164727:

Original Contract: Effective 12/5/2016 through 11/30/2021 (5 years) not-to-exceed (NTE) of \$650,000²

- Amendment #1: Effective 10/31/2021 to 4/30/2022 – 6-month extension; no change to NTE (City Manager authorized)
- Amendment #2: Effective 4/30/22 to 4/29/2023 - 12-month extension; NTE increased \$70,000³
- Amendment #3: Effective 4/29/2023 to 4/28/2024 – 12-month extension; NTE increased \$80,000⁴

OOT contract C19171363:

Original Contract: Effective 3/31/2019 to 3/31/2024 (5 years) NTE of \$627,000⁵ (City Council meeting 6/24/2019 SR 10241)

¹ City Council, May 13, 2019, Agenda Item #8, SR# 10247

Title: Informational Report on the Parking Work Plan That Prioritizes Implementation of the 35 Recommendations From the Municipal Resource Group (MRG) Parking Study

<https://cityofpaloalto.primegov.com/Public/CompiledDocument?meetingTemplateId=2743&compileOutputType=1>

² City Council, December 5, 2016, Agenda Item #4, SR #7179

<https://www.cityofpaloalto.org/files/assets/public/agendas-minutes-reports/reports/city-manager-reports-cmrs/year-archive/2016/id-7179.pdf>

³ City Council, May 23, 2022, Agenda Item #10, SR #14337

<https://portal.laserfiche.com/Portal/PdfViewer.aspx?file=https%3A%2F%2Fportal.laserfiche.com%2FPortal%2FElectronicFile.aspx%3Fdocid%3D59502%26repo%3Dr-704298fc%26pdfView%3Dtrue%5B%7B%22num%22%3A3%2C%22gen%22%3A0%7D%2C%7B%22name%22%3A%22XYZ%22%7D%2Cnull%2Cnull%2Cnull%5D>

⁴ City Council, April 17, 2023, Agenda Item #7, SR #2303-1156

<https://portal.laserfiche.com/Portal/DocView.aspx?id=66525&repo=r-704298fc&searchid=c822dcb1-92f2-4e8b-a5e2-754a792e2174>

⁵ City Council, June 24, 2019, Agenda Items #5, SR #10241

<https://cityofpaloalto.primegov.com/Public/CompiledDocument?meetingTemplateId=2713&compileOutputType=1>

- Amendment #1: Effective 6/27/2019 - no term change; NTE increased \$140,000 for ALPR added to vehicles⁶.

ANALYSIS

This recommendation is part of a process to streamline the management of the City parking programs and enforcement. The Office of Transportation (OOT) and the Police Department (PAPD) have separate contracts with Duncan Solutions to administer the parking permit program (OOT) and to facilitate parking citation processing and collection (PAPD). The attached amendments with Duncan Solutions extend the term for both contracts as OOT leads a process to centralize the management of the services. The City is currently in the process of releasing a request for proposal to consolidate parking citation services to a single payment portal. Currently, the City has two separate portals for paying citations depending on where (University Ave. and California Ave. or the Residential Parking Districts) the citation is issued. By consolidating these services, staff expects to improve the user experience for the public. Not approving the extensions would jeopardize the City's ability to enforce its parking polices and issue parking citations.

The attached contract extension(s) would align the end dates for the two contracts. By extending the contract end dates, staff would have sufficient time to implement the next contract for a consolidated engagement. This would allow the departments to enhance coordination on services offered to the community, parking enforcement strategies, and to determine whether one service provider can meet the operational needs across programs.

FISCAL/RESOURCE IMPACT

Apart from the total not-to-exceed amount of the PAPD contract, updated to accommodate the extension, and the contract ending dates, the terms and conditions of the original contracts remain unchanged, including the original costs for services. The FY2024 Adopted Operating Budget and Capital Improvement Plan has sufficient funding for these contracts; no additional budgetary action is required. The budget for the following year will be subject to the Council's FY 2025 budget appropriations.

STAKEHOLDER ENGAGEMENT

This contract was reviewed and coordinated with internal departments including legal, procurement, and financial functions to ensure alignment with City policies and procedures.

ENVIRONMENTAL REVIEW

Adoption of this amendment is not a project under CEQA.

⁶ City Council, February 22, 2021, Agenda Item #9, SR# 11492
<https://www.cityofpaloalto.org/files/assets/public/v/2/agendas-minutes-reports/reports/city-manager-reports-cmrs/year-archive/2021/id-11492.pdf>

ATTACHMENTS

Attachment A: Contract Amendment #4 C17164727

Attachment B: Contract Amendment #2 C19171363A

APPROVED BY:

Andrew Binder, Police Chief