

City of Hesperia

STAFF REPORT



DATE: March 21, 2017

TO: Mayor and Council Members

FROM: Nils Bentsen, City Manager

BY: Mike Blay, Director of Development Services
Tina Bulgarelli, Administrative Analyst

SUBJECT: Amendment to Contract with Data Ticket, Inc. for collection services

RECOMMENDED ACTION

It is recommended that the City Council approve an amendment in the amount of \$70,000 to the contract with Data Ticket, Inc. (PSA 2012-13-049) for a total contract amount of \$513,000; approve an extension through December 31, 2017; and authorize the City Manager to execute the amended contract with Data Ticket, Inc. for the management and collection of citations, cost recovery, appeals, as well as hearing officer services.

BACKGROUND

In 2012, the City contracted with Data Ticket, Inc. (Data Ticket) to provide for the management and collection of citations, cost recovery, appeals and hearing officer services. In 2015, the City also re-instituted the use of the special assessment program offered by the County of San Bernardino for collection of outstanding fines. These two programs are used in conjunction to collect fines and fees due from enforcement procedures.

Data Ticket expenditures from January 1, 2013, which represented the first month of activity, through January 31, 2017, which represents the most recent month billed, totaled \$432,450. On August 15, 2015, the City Council authorized a contract amendment in the amount of \$293,000, bringing the current contract amount to \$443,000.

ISSUES/ANALYSIS

Collections from Data Ticket have resulted in revenue from administrative citations, parking citations, DUI fees, the Crime Free Rental Housing Program, and the Police Multiple Response Program. The revenue for these programs is summarized in the table below:

Data Ticket Revenue by Program January 1, 2013 through January 31, 2017	
Citations (Animal Control, Building and Safety, Code Enforcement)	\$ 333,465
Crime Free Rental Housing	\$ 29,729
Case Completion Costs (Staff Time/Abatements)	\$ 129,936
DUI Fees	\$ 11,299
Police Multiple Response Program	\$ 61,928
Parking Citations	\$ 794,710
Total Revenue	\$1,361,067

The Data Ticket contract is unique in that the City and Data Ticket have a joint escrow account through which revenue and payments are passed through. Data Ticket collects fines on behalf of the City and each month reconciles the amount due to the City after payment of their fees. As such, there are budgeted funds each year to pay the Data Ticket invoices.

Staff intends to continue using Data Ticket, Inc. to provide hearing officer services, parking citation processing and processing of citations for the Crime Free Rental Housing Program, Police Multiple Response Program, DUI fee collection, Building and Safety Administrative Fines, and special cases in Animal Control and Code Enforcement where collection through means besides the special assessment program is the most appropriate means of collection of fines.

Parking citation processing must be adjudicated and serviced by an agency able to make inquiries with the Department of Motor Vehicles; Data Ticket has that authority. Further, unpaid parking citations are recovered through the DMV registration process, which typically occurs on an annual basis. There are available funds approved in the Fiscal Year 2016-17 Budget to accommodate the continued reconciliation of Data Ticket expenditures.

FISCAL IMPACT

The necessary funds for Fiscal Year 2016-17 were approved by the City Council under the annual Budget adoption.

Funding for citation processing during Fiscal Year 2017-18 will be presented to the City Council for approval during the annual Budget Review process.

ALTERNATIVE(S)

1. Provide alternate direction to staff.

ATTACHMENT(S)

None