



Administrative Report

H.15., File # 25-0980

Meeting Date: 8/5/2025

To: MAYOR AND CITY COUNCIL
From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

APPROVE AN AGREEMENT WITH TURBO DATA SYSTEMS, INC TO PROVIDE PARKING CITATION AND PARKING PERMIT MANAGEMENT AND COLLECTION SERVICES FOR THE TERM AUGUST 5, 2025 THROUGH AUGUST 4, 2028 WITH AN OPTION TO AUTOMATICALLY RENEW FOR TWO ADDITIONAL ONE-YEAR TERMS

EXECUTIVE SUMMARY

In March 2025, the Police Department issued a Request for Proposals (RFP) #2425-005 for parking citation and parking permit management services, with a total of six companies submitting proposals. After an in-depth evaluation process conducted by staff in the Police and Information Technology Departments, Turbo Data Systems, Inc. (TDS) was selected as the preferred vendor based on the quality of their proposal, innovative hardware and software platforms, and pricing.

The proposed Agreement with TDS includes full parking citation management services, including processing of parking citations, collection services, appeals, data analytics, and integrated hardware for citation issuance. TDS will also provide an online portal for parking permit management.

Charges for parking citation management are assessed on a per citation basis and are paid from parking ticket fees. A similar structure is in-place with the City's current parking citation management firm, Data Ticket, who's contract is scheduled to expire in September. TDS is estimated to receive \$147,200 in total annual compensation for the contracted services. Specifically, the company will be paid \$0.50 per electronically issued citation, \$135 per month, per unit, to lease mobile ticket equipment, a one-time \$2,500 charge to establish and configure the new parking permit management database, and an annual administration fee for the database of \$7,200 per year.

BACKGROUND

The Municipal Services Unit of the Police Department issues approximately 35,000 parking citations annually, the majority of which are for street sweeping and parking meter violations. The City has contracted its parking citation management services since 1993. Parking citation management includes all aspects of the citation process, including handheld hardware devices to issue citations, maintaining a citation database, accepting payments and conducting collection actions, mailing notices, and managing revenue generated by the program.

The last time the City issued an RFP for parking citation management was in 2010, which resulted in a contract being awarded to Data Ticket, Inc. The City has been contracted with Data Ticket since

that time, with the current Agreement set to expire on September 30, 2025.

In order to take advantage of innovations in analytic capabilities of citation software and advancements in handheld device technology, the Police Department elected to conduct a formal RFP to solicit proposals from parking citation management vendors. The Police Department also wanted to evaluate the firms currently in the parking permit management market and compare current costs for the various offered services. The Police Department currently issues parking permits manually, which requires in-person interaction at the Parking Counter in City Hall. Transitioning to a new parking permit management vendor will allow the Police Department to offer a more customer-friendly, modern, online process.

To achieve these goals, RFP #2425-005 was released March 6, 2025 on the City's OpenGov procurement portal, with proposals due March 31, 2025. The City received a total of six proposals from the following companies (alphabetical order):

- Bayou Media Development, LLC
- Data Ticket, Inc.
- Park Loyalty
- Phoenix Group Information Systems
- T2 Systems, Inc.
- Turbo Data Systems, Inc.

During April 2025, staff members from the Police and Information Technology Departments rated the written proposals based on their completeness and quality of services offered. Following the initial evaluation, four vendors were invited for in-person demonstrations. The demonstrations provided the opportunity for City staff to test the handheld devices and evaluate the firms' online portals for both public-facing and back-end administrative users.

Ratings were based on the following:

- Capabilities of the handheld devices (i.e. LPR technology, API integration with third-party parking providers such as Mackay Meters and T2 Pay Stations)
- Design and ease of use of customer online portal
- Data analysis and reporting capabilities for the City's administrative portal
- Security of online portals
- Overall cost

After the first two phases of evaluation, it was staff's consensus that TDS offered the best balance of hardware and software capabilities when paired with overall cost. Their staff-facing administrative portal stood-out by offering the City a wide range of analytic capabilities that will help drive improvement to the City's parking permit management program. Over time, the City will be able to analyze a number of various data points for citations, including geo-location and metrics for individual officers conducting parking enforcement.

At that point in the process, staff did additional research to further assess how the platform offered by TDS aligned with the Department's specific needs. Staff also contacted references to verify that the other cities utilizing TDS were satisfied with their services. The cities of Hermosa Beach and

Manhattan Beach currently utilize TDS for parking citation management and both cities indicated they are completely satisfied with all facets of the company's service. As a result, staff selected TDS as the preferred vendor and are now recommending that the City Council approve a professional services agreement with the firm.

If the agreement is approved, TDS will fully manage all parking citation functions, including revenue collection. Revenue will be deposited into an escrow account and transferred by ACH to the City on a monthly basis, along with a reconciliation report. TDS will retain its fees for services from the gross revenue, and wire the net funds to the City. This mirrors the existing process currently in place with Data Ticket, Inc. The City expects an annual expenditure of \$140,000 for the citation functions TDS would be contracted to provide.

The proposed Agreement also includes parking permit management services, which will be a new component for the City. The Department issues approximately 4,500 parking permits annually, including meter permits and permits for preferential parking zones. The current process is manual, requiring members of the public to submit hard copy applications and verification documents in-person at City Hall.

With TDS, the City will be able to offer streamlined submittal process that utilizes an online portal to allow the public to apply and upload supporting documents electronically, making the process more convenient and efficient. City staff will review all incoming applications in the online portal, and, if approved, the customer can then pay for the permit online. City staff will issue the permit either by mail or in-person, at the discretion of the customer.

The public will still have the option to submit their application in-person, but staff believes the online convenience will make this a highly utilized service. The City will also be able to utilize the centralized parking permit management database to automate the process by which staff contacts customers to share reminder notices and renewal timelines. The cost for the parking permit management service will be a one-time fee of \$2,500 for setup, and \$7,200 annually for the service.

The initial term of the Agreement will be for three years and includes two automatic yearly renewals. The City will have the ability to terminate the Agreement with 90-days written notice during the initial term, if needed.

COORDINATION

Evaluation of the RFP responses was coordinated with the Information Technology Department. Preparation of the agreement was coordinated with the City Attorney's Office.

FISCAL IMPACT

Parking citations generate \$1.4M in annual General Fund revenue, and an additional \$330,000 is generated annually from parking permits (meter and preferential).

TDS will receive \$0.50 for each electronically issued citation. The parking permit management system set-up will incur a one-time cost of \$2,500. The estimated annual cost of the contract will be \$147,200. This includes \$140,000 for parking citations and an additional \$7,200 for the parking permit management function. The cost will be deducted on a monthly basis from the gross revenue generated by citations and permits.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Turbo Data Systems, Inc.
- RFP #2425-005 - Parking Citation and Parking Permit Management System