



Administrative Report

N.1., File # 21-1910

Meeting Date: 1/19/2021

To: MAYOR AND CITY COUNCIL

From: MARNI RUHLAND, FINANCE DIRECTOR
KEITH KAUFFMAN, POLICE CHIEF

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH PETDATA, INC. FOR ANIMAL LICENSING SERVICES FOR THE TERM JANUARY 19, 2021 TO JANUARY 18, 2026

EXECUTIVE SUMMARY

On June 16, 2020, City Council approved Decision Package #37 to outsource the City's Animal Licensing function. In response to Council's action, the Financial Services Department obtained proposals from Los Angeles County Department of Animal Care and Control and PetData, Inc.

After reviewing their proposals and conducting extensive interviews with each entity, PetData, Inc. prevailed as the leader in their ability to provide customer service, reporting, access to the database and overall program management and expertise. Staff recommends City Council approve a (5) five-year professional services agreement with PetData, Inc.

BACKGROUND

At the adoption of the City budget on June 16, 2020, the City Council approved Decision Package #37 to outsource Animal Licensing services. Financial Services requested proposals from Los Angeles County Department of Animal Care and Control and PetData, Inc. After a thorough review of each of the proposals received, interviews were conducted and Financial Services determined that PetData, Inc. demonstrated the greatest ability to meet the needs of the City in providing Animal Licensing services to the public.

PetData, Inc. has over 25 years of experience in providing animal license services to municipalities. They have more than 80 clients in 23 states, currently process over 1.7 million animal licenses and rabies vaccination certificates and over 100,000 customer service calls and emails annually. PetData, Inc. currently provides animal licensing services to the cities of Torrance (since 2004), Hawthorne (since 2016), Culver City (since 2009), Newport Beach (since 2009), Laguna Beach, Garden Grove (since 2016), San Clemente-Dana Point, and Santa Barbara (since 2010).

PetData, Inc. services include: processing animal license applications and renewals received online

or by mail; providing customer service to residents via phone, email and mail; mailing renewal and reminder notices for expiring animal licenses; mailing new and replacement tags to pet owners; providing online access to licensing data for Animal Control; processing and updating rabies vaccination records; updating owner and pet information; collecting and processing animal licensing fees; providing sales and revenue reporting; and remitting revenue collected less service fees to the City.

PetData, Inc. provides a customized webpage, which can be accessed through the City's website. Residents will now be able to process and pay for new and renewed animal licenses online. In addition, PetData, Inc. provides a dedicated telephone number for residents to call for customer service, which includes an auto-attendant that provides basic registration instructions 24 hours a day, 7 days a week.

PetData, Inc. has advised that many of their client cities have been able to increase their animal license revenue by updating their ordinance to require veterinarians to provide rabies vaccination reports to their city. Per the direction of the client cities, PetData, Inc. receives the vaccination reports directly from the veterinarians. Upon receipt of the reports, PetData, Inc. either updates existing license records or mails billing notices to the owners of animals that are unlicensed.

PetData, Inc. charges a one-time start-up fee of \$1,000 for creating renewal forms and reports, web pages, auto-attendant phone scripts, and data conversion. Their fees for processing animal licenses are as follows:

- For years 1-3 of the agreement, \$4.20 for a one-year license or replacement tag, \$6.20 for a two-year license, \$8.20 for a three-year license.
- For years 4-5 of the agreement, \$4.30 for a one-year license or replacement tag, \$6.30 for a two-year license, \$8.30 for a three-year license.
- A collection service fee of \$2.50 for each late fee collected during the term of the agreement.

Upon approval of the agreement, the implementation process will begin immediately with an anticipated start date of April 1, 2021.

COORDINATION

The Financial Services Department coordinated with Animal Control in the review and selection of the animal licensing service provider, and the City Attorney's Office has approved the agreement as to form.

FISCAL IMPACT

The one-time start-up fee of \$1,000 and the fees for processing animal licenses will be netted against animal license revenue collected. To process the City's 3,600 active dog licenses, the estimated annual expenditure for one-year licenses is \$15,120. The annual expenditure will fluctuate depending on the number of licenses processed.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

Agreement - PetData, Inc.

Slide Presentation - PetData, Inc.