

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	8308	Agenda Number	53.
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Meeting Date:	August 18, 2011
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Department:	Purchasing
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Subject

Authorize award, negotiation, and execution of a 36-month revenue contract with GILA, LLC, dba MUNICIPAL SERVICES BUREAU (MSB), Austin, TX or one of the other qualified offerors to RFP No. PAX0101, for the collection of delinquent Municipal Court cases with estimated annual net to general fund revenue of \$2,850,000, with three 12-month extension options with estimated revenue of \$2,850,000 per extension option, for a total estimated contract revenue of \$17,100,000.

Amount and Source of Funding

The total revenue for Fiscal Year 2010-2011 is estimated to be \$475,000 and will be included in the General Fund.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Best-evaluated proposal of six proposals received.
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Prior Council Action:	
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For More Information:	Sai Xoomsai, Buyer I, 972-4016
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Boards and Commission Action:	
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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Related Items:	
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Additional Backup Information

This contract will provide the Municipal Court with an external vendor to locate, contact, and collect fines, costs and fees from those individuals with seriously delinquent court cases. The Municipal Court has a comprehensive compliance program which includes the use of outside collection services when all other options have been exhausted. These cases include traffic, city codes, state codes, parking, and red-light camera violations. Outside collection services have been utilized by the Municipal Court since 2002.

A collection fee, authorized by Article 103.0031 of the Texas Code of Criminal Procedure and approved by the City Council, is added to all cases allowed by law. This contract will provide for a collection fee of 30% to be paid to Municipal Services Bureau on the amount they collect on delinquent unadjudicated criminal cases, adjudicated criminal cases, and liable parking cases that are referred by the Municipal Court. No collection fee will be paid to Municipal Services Bureau for the amount they collect on red-light camera cases.

No General Fund expenses are needed for this contract as the vendor will be paid with defendant collection fees. General Fund revenue resulting from these services is anticipated to remain the same as this fiscal year since the services being provided will remain unchanged.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that offeror. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with that offeror.

MBE/WBE solicited: 3/1

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred seventy-one notices were sent, including 3 MBEs and 1 WBE. Six proposals were received. The MBEs and WBE did not respond.
- c. The pricing offered represents an 8% decrease in the red-light camera case commission rate from the last contract award in July 2007. The pricing for all other case types remain unchanged at 30% which is the minimum that may be paid to a contracted vendor if the 30% fee authorized by state law is assessed on defendants. Municipal Services Bureau (MSB) is the current provider of these services.

APPROVAL JUSTIFICATION

- a. Best-evaluated proposal received.
- b. The Purchasing Office concurs with the Municipal Court's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.