

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

38113

Agenda Number

75.

Meeting Date:

December 11, 2014

Department:

Purchasing

Subject

Authorize negotiation, award, and execution of a 12-month requirements service contract with LINEBARGER, GOGGAN, BLAIR, SAMPSONS LLP, or one of the other qualified offerors to RFP No. CDL2001, to provide debt collections legal services with two 12-month extension options.

Amount and Source of Funding

Funding is available in the Fiscal Year 2014-2015 operating budget of the law department.

Fiscal Note

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

Purchasing Language:

Best evaluated proposal.

Prior Council Action:



For More Information:

Danielle Lord, Corporate Contract Compliance Manager, 512-974-2298

Boards and Commission Action:



Related Items:

MBE / WBE:

This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Additional Backup Information

This contract will provide legal services for the collection of public debt and delinquent payments owed to the City. The City's in-house legal counsel currently performs these collection activities and intends to outsource the collection of delinquent alarm permit accounts through the Police Department, Austin Code Department penalties, and third party damage claims on behalf of multiple City departments. This also includes collection of delinquent Hotel Occupancy Taxes on behalf of Financial Services.

The City's in-house legal counsel currently receives referrals to perform both pre-litigation and litigation collection activities after internal City department collection efforts have been exhausted. Through this contract the Law Department intends to outsource the collection of delinquent penalties, loans, bills and accounts. The cost of the contract is a 33 percent contingency fee on the total amount collected. In house legal counsel collected roughly \$270,000 in revenue for the past two fiscal years.

The proposals were evaluated by a panel consisting of representatives with financial and collections expertise. The evaluation criteria included organization and management structure, system concept and solution, demonstrated applicable experience, commission rate, and local business presence.

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 provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

MBE /WBE solicited: 3/2

MBE /WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. 374 notices were sent including three MBEs and two WBEs. Three proposals were received with no responses from the MBE /WBEs.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

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