



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 11
AGENDA DATE: Thu 02/05/2004
RCA TYPE: Resolution not Required
PAGE: 1 of 2

SUBJECT: Approve negotiation and execution of a 12-month revenue agreement with UNIQUE MANAGEMENT SERVICES, INC., Jeffersonville, IN for the collection of overdue library materials, fines and fees in an estimated annual revenue amount of \$82,000, with two 12-month extension options in an estimated revenue amount of \$82,000 per extension option, for a total estimated revenue agreement amount of \$246,000.

AMOUNT & SOURCE OF FUNDING: The estimated revenue amount of \$54,667 will be included in the Current Year Estimate of the Fiscal Year 2003-2004 Approved Operating Budget of the Austin Public Library. Estimated revenue for the remaining four months of the original contract period and extension options will be included in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing
DEPARTMENT: for Library;

DIRECTOR'S
AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Mick Osborne, Sr. Buyer, 974-2995

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Best proposal of two received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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.

The Austin Public Library has outstanding, unreturned library material, fees and fines that are 60 to 120 days old totaling approximately \$321,000. The Austin Public Library is successful in clearing about 55% of delinquent accounts internally. After internal collection efforts are exhausted, the Library will refer all pending cases that are 60 to 90 days past due to the collection vendor, Unique Management Services, Inc. The annual collection rate of these referred cases is estimated at 80%. Annual net to General Fund revenue is estimated at \$82,000 per 12-month contract period and is calculated as Net to General Fund fines and fees less the vendor commission. Net to General Fund revenue to the City for the remainder of the current fiscal year is estimated at \$54,667.

The proposed contract provides for an external collection effort to locate and contact those individuals with outstanding library material, fees and fines. Efforts will be made to collect the fines and to ensure the return of the material to the Library. The commissions will be paid from a proposed fee collected, which charges the delinquent cardholder a \$10 fee if the account is turned over to collection, and will not require an expense appropriation in fiscal year 2004. Commissions are estimated to be \$15,000 annually. In fiscal year 2005, the Library will budget the expense and the revenue.

An evaluation committee consisting of Library management and collection staff ranked the proposals based upon collection efforts proposed, data processing capabilities, skip tracing capabilities, experience



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in this specific area of collections and total evaluated cost/revenue, among other criteria. The recommended awardee has been serving libraries in this capacity since 1988 and is currently servicing 520 libraries nationwide.

MBE/WBE solicited: 0/1 MBE/WBE proposed: 0/0

RFP NO. MO03300351

PRICE ANALYSIS

- a. Best cost/revenue proposal of two proposals received.
- b. Forty one notices were sent including one WBE. There were no MBEs available for this commodity code. Eight proposals were issued including one WBE. Two proposals were received with no WBE response. Four "no offer" responses were received.

APPROVAL JUSTIFICATION

- a. Best proposal received.
- b. The Library Department concurs with the recommended award.
- c. Advertised in the Austin American Statesman and on the internet.

EVALUATION MATRIX- CONSENSUS
REQUEST FOR PROPOSAL NO. MO03300351
COLLECTION SERVICES, LIBRARY

	Universal Fidelity Corporation Houston, TX	Unique Mgmt. Services Jeffersonville IN
1. Project concept and solutions proposed	23	33
a. collection efforts proposed		
b. adequacy and sophistication of data processing		
c. adequacy and sophistication of telephone resources		
d. letter series		
e. number of telephone calls		
f. use of skiptracing		
g. reports provided to City		
h. flexibility in meeting City's reporting needs		
I. Payment handling procedures		
j. implementation plan/timetable		
k. accomodation of non-English speaking customers		
l. handling of customer questions/problems		
(35 points)		
2. Demonstrated applicable experience/prior performance	24	34
a. experience in this specific area of collections		
b. experience in similar volume of accounts		
c. performance results from similar clients		
d. experience and stability of key personnel		
e. collection techniques used		
f. references from current and previous clients		
(35 points)		
3. Total Evaluated cost/revenue	24	30
a. commission rate(s)		
b. collection guarantees		
c. incentive structure		
(30 points)		
<i>TOTAL</i>	71	97