



City Attorney's Office

21 JUN 24 PM 5:32

## OAKLAND CITY COUNCIL

RESOLUTION NO. 88741 C.M.S.

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**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO FINALIZE AND EXECUTE A PREPAID DEBIT CARD MARKETING AND PROCESSING AGREEMENT AND CONTRACT PURCHASING AGREEMENT WITH USIO, INC. (USIO) IN SUPPORT OF THE OAKLAND MOBILITY TRANSPORTATION DEMAND MANAGEMENT (OAKMOB TDM) PROJECT'S FINANCIAL INCENTIVE IN THE FORM OF 500 RESTRICTED PREPAID DEBIT CARDS FOR A PERIOD OF ONE YEAR AT A TOTAL CONTRACT COST OF \$151,425.00; PROVIDING THE NECESSARY SPENDING AUTHORITY FOR THE CONTRACT'S ONE-YEAR DURATION; AND WAIVING THE ADVERTISING, BIDDING AND THE REQUEST FOR QUALIFICATIONS/PROPOSAL COMPETITIVE SELECTION REQUIREMENTS**

**WHEREAS**, the goal of the Oakland Mobility Transportation Demand Management project (OakMob TDM) is to increase walking, biking, and shared mobility trips near the AC Transit Bus Rapid Transit (BRT) corridor, while reducing private vehicle trips, through the use of personalized information, support, and financial incentives; and

**WHEREAS**, In 2017, City Council passed Resolution No. 86894 C.M.S. to accept and appropriate grant funds from the Alameda County Transportation Commission (ACTC) for 11 projects, including the OakMob TDM. OakMob TDM received \$215,000 from ACTC and \$28,000 in 2211 Matching Funds; and

**WHEREAS**, In 2017, ACTC and the City of Oakland entered into a Funding Agreement to implement the OakMob TDM project by December 31, 2019. In 2019, ACTC and the City of Oakland amended the original Funding Agreement to extend the OakMob TDM project's timeline to December 31, 2021; and

**WHEREAS**, prepaid debit cards were identified as the best way to provide financial incentives to Oakland residents in order to achieve this project's goal, provide program participants with the greatest autonomy of how to spend travel funds, and inform future efforts by the City, such as the establishment of a long-term Universal Basic Mobility program; and

**WHEREAS**, Usio, Inc. (Usio) is a C Corporation founded in 1998, and incorporated into Mastercard's City Possible Network; is an integrated payment solutions provider that specializes in providing tailored solutions for prepaid debit card issuance, payment acceptance, and bill payments; and has an extensive track record of successfully implementing financial assistance and relief programs for public agencies across the United States; and

**WHEREAS**, the City of Oakland wishes to enter into an agreement with Usio to purchase and provide 500 OakMob TDM program participants with restricted prepaid cards that are each loaded with up to \$300.00 of grant funds and that can only be used to purchase trips or passes with transit or shared mobility operators; and

**WHEREAS**, the total contract cost for Usio to provide this product is \$151,425.00, including \$1,150.00 for the printing and fulfillment of cards, \$275.00 for the postage required to mail cards to participants, and \$150,000.00 of project funds to be loaded directly on to the prepaid cards; and

**WHEREAS**, after extensive research and coordination with banks, prepaid card providers, and other organizations, the City recognizes that Usio was one of only two (2) vendors that could provide the City with this product; and

**WHEREAS**, the City recognizes that among only two (2) potential providers, Usio is the only viable vendor option because of the vendor's unique services that allow the City to recoup unused funds at the completion of the program and their ongoing work with another City department for an upcoming program; and

**WHEREAS**, Oakland Municipal Code (OMC) section 2.04.050 requires formal advertising and competitive bidding when the City purchases services, supplies or combination thereof required by the City which exceeds \$50,000.00; and

**WHEREAS**, OMC section 2.04.050 I.5 permits the Council to waive these requirements upon a finding and determination that it is in the best interests of the City to do so; and

**WHEREAS**, OMC section 2.04.051.A requires staff to conduct a competitive RFP/Q selection process for the procurement of professional services; and

**WHEREAS**, OMC section 2.04.051.B authorizes the City Council to waive the RFP/Q requirement upon a finding that it is in the best interests of the City to do so; and

**WHEREAS**, the City Council finds that the proposed contract (Prepaid Card Marketing and Processing Agreement) is for the processing and marketing of prepaid cards and will expire after twelve (12) months, provided that staff give notice to Usio ninety (90) days prior to this date; and

**WHEREAS**, the City Council finds that the contract purchasing agreement was issued by the City's Finance Department on March 16, 2021 with a one-year term and will expire on March 16, 2022; and

**WHEREAS**, the City Council finds that the City lacks the equipment and qualified personnel to perform the necessary work and that the performance of this contract is in the public interest because of economy or better performance; and

**WHEREAS**, the City Council finds and determines that the performance of this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive services; and

**WHEREAS**, this action is exempt from the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080(b)(13) and CEQA Guidelines Section 15273 (Transportation Improvement And Congestion Management Programs) because CEQA does not apply to preparation and adoption of a congestion management program by a county congestion management agency pursuant to Government Code Section 65089, et seq.; now, therefore be it

**RESOLVED:** That the City Council finds and determines that pursuant to OMC sections 2.04.050.1.5 and 2.04.051.B; that it is in the best interests of the City to waive the advertising, competitive bidding, and competitive RFP/Q process for products, replacement parts and services to be purchased under the proposed agreement because: 1) Usio offers a unique service, allowing the City to restrict card usage by merchant category code and recoup up to 80 percent of the amount of expired funds after the one year expiration of the program,

ensuring the responsible use of public funds to achieve the project goal; and 2) Oakland Public Works staff have similarly identified Usio as the most qualified vendor for an upcoming program, providing the City with a key efficiency if an agreement with Usio is in place; and be it

**FURTHER RESOLVED:** That the City Administrator or designee is authorized to enter into a Prepaid Card Marketing and Processing Agreement with Usio for a period of one year at a cost of \$151,425.00, including \$1,150.00 for the printing and fulfillment of cards, \$275.00 for the postage required to mail cards to participants, and \$150,000.00 of project funds to be loaded directly on to the prepaid cards; and be it

**FURTHER RESOLVED:** To use available reimbursable grant funds in ACTC Reimbursable Fund (2214), Oakland Mobility TDM Project (1003982), Mobility Management Organization (35247), Account (53719); and be it

**FURTHER RESOLVED:** That the City Administrator has the spending authority to pay invoices from Usio according to this agreement on an as-needed basis; and be it

**FURTHER RESOLVED:** this action is exempt from the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080(b)(13) and CEQA Guidelines Section 15276 (Transportation Improvement And Congestion Management Programs) because CEQA does not apply to preparation and adoption of a congestion management program by a county congestion management agency pursuant to Government Code Section 65089, et seq.; and be it

**FURTHER RESOLVED:** that the City Attorney shall review and approve the proposed contract as to form and legality, and copies of the agreement(s) shall be filed with the Office of the City Clerk without returning to Council.

IN COUNCIL, OAKLAND, CALIFORNIA,

'JUL 06 2021

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO and PRESIDENT FORTUNATO BAS — 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

Attest:

Asha Reed

City Clerk and Clerk of the Council  
of the City of Oakland, California