

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION:

- (1) AUTHORIZING THE CITY ADMINISTRATOR TO AMEND THE AGREEMENT WITH MODAXO TRAFFIC MANAGEMENT INC. FOR PARKING CITATION SYSTEM SOFTWARE, HARDWARE, RELATED SERVICES AND PASS-THROUGH COLLECTION FEES FOR AN ADDITIONAL ONE-YEAR TERM IN AN AMOUNT NOT TO EXCEED \$2,260,300 AND AUTHORIZING THE PAYMENT OF OUTSTANDING INVOICES IN THE AMOUNT OF \$249,397, FOR A TOTAL CONTRACT AMOUNT OVER THE ONE YEAR TERM OF \$2,509,697; AND**
- (2) WAIVING THE COMPETITIVE MULTI-STEP SOLICITATION PROCESSES; AND**
- (3) APPROPRIATING \$68,274 TO THE GENERAL-PURPOSE FUND; AND**
- (4) ADOPTING APPROPRIATE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FINDINGS**

WHEREAS, on January 31, 2018, City Council adopted Resolution 87051 C.M.S., authorizing the City to enter into an Agreement with CONDUENT STATE & LOCAL SOLUTIONS, INC. to provide Parking Citation Management Software as a Service, Parking Enforcement Hardware, Document Production, Mailing, and Special Collection Services, including installation, implementation, training, taxes, maintenance, support, and related professional services for an initial five-year (5) term at approximately \$497,870 per year, for a total of \$2,489,350, with two one-year options, for a grand total amount not to exceed \$3,485,095; and

WHEREAS, by Resolution 87755 C.M.S., (June 18, 2019), City Council also approved the Surveillance Impact Report for an Automatic License Plate Reader (ALPR) System for the Department of Transportation, adopted the use of the ALPR as City Policy and authorized the City Administrator to acquire and use the ALPR System at a cost not to exceed Three Hundred Sixty- Six Thousand Dollars (\$366,000.00); and

WHEREAS, by Change Order No. 1 dated June 6, 2019, ("First Amendment") the Original Professional Service Agreement's Statement of Work was amended to add the ALPR

System (as Amended Agreement”); and

WHEREAS, by Resolution 89277 C.M.S., (June 21, 2022), City Council increased the contract t in the amount of \$876,000.00 supporting additional citation systems, residential parking permits and payment processing, making the grand total authorized for the As Amended Agreement a not to exceed amount of \$4,361,095; and

WHEREAS, in May 2024 CONDUENT STATE & LOCAL SOLUTIONS, INC. was acquired by MODAXO TRAFFIC MANAGEMENT INC., and

WHEREAS, on April 2, 2023, pursuant to the authority granted by Council in Resolution 87051, the City Administrator entered into a two (2) year extension of the Professional Services Agreement with MODAXO TRAFFIC MANAGEMENT INC; and

WHEREAS, the City’s staff are finalizing a competitive Request for Proposal process for PARKING & CITATION MANAGEMENT SOLUTION, AUTOMATED SPEED SAFETY CAMERA SYSTEM and RELATED SOLUTIONS & SERVICES, which solicits competitive proposals for parking and citation management services similar to those currently provided by MODAXO TRAFFIC MANAGEMENT INC.; and

WHEREAS, Staff expect the results of that competitive process to be implemented six to twelve months beyond the expiration of the City’s current agreement with MODAXO, which expired on April 1, 2025; and

WHEREAS, Staff using the MODAXO systems and services find that MODAXO has consistently performed and met its obligations under the current agreement; and

WHEREAS, under the terms of the City’s agreement with MODAXO, it acts as specialized collections service that adds a Special Collection Fee of 30% to outstanding charges at the time of referral and that this fee is entirely contingent upon MODAXO’s successful collecting of the revenue; and

WHEREAS, the Special Collection Fee is at 100% recovery level and therefore has a net-zero impact on the City's General-Purpose Fund. However, for appropriate budgeting and accounting purposes, the entire Special Collection Fee collected and remitted to the City is to be recorded as revenue and appropriated as an offsetting liability expenditure equaling the same amount recorded; and

WHEREAS, Per Oakland Municipal Code (OMC) Title 2, Chapter 2, Article I, Section 2. 04. 042 B, the City Administrator shall conduct a multiple-step solicitation process by soliciting proposals, requiring vendor demonstrations when appropriate and feasible, and evaluating and rating proposals and performance in demonstrations on the basis of uniform criteria to be determined by the City Administrator on a case-by-case basis; and

WHEREAS, OMC Title 2, Chapter 2, Article I, Section 2. 04. 0042 C, requires that contracts for IT Systems shall be awarded based on the combination of product suitability for

the proposed project and record of product performance, vendor(s) qualifications, expertise and record(s) of performance on projects for other agencies or businesses, prices and fees and other appropriate criteria the City Administrator determines to best meet the needs of the City; and

WHEREAS, Per OMC Title 2, Chapter 2, Article I, Section 2.04.042 D, the City Council may waive the requirements of this section upon a recommendation of the City Administrator and finding and determination by the City Council that it is in the best interests of the City to waive solicitation processes; and

WHEREAS, the total expense for fixed operations fee and collections passthrough fee for one year will not exceed \$2,260,300, including fixed operations fees not to exceed \$504,000 and collections passthrough fees not to exceed \$1,756,300; and

WHEREAS, the department is requesting \$68,274 appropriations to be included for the expenditure account 54919, Organization 35351, and the revenue account 43112, Organization 35351; now therefore be it

RESOLVED: That the City Council does hereby authorize the City Administrator to amend the City's agreement with MODAXO TRAFFIC MANAGEMENT INC. to provide Parking Citation Management Software as a Service, Parking Enforcement Hardware, Document Production, Mailing and Special Collection Services and related professional services for a one-year term in an amount not to exceed \$2,260,300.00, including fixed operations fees not to exceed \$504,000 and collections passthrough fees not to exceed \$1,756,300; and be it

FURTHER RESOLVED: That staff are authorized to pay outstanding invoices from 2024 due to Modaxo in the amount of \$249,397.00; and be it

FURTHER RESOLVED: That funds are available in Fiscal Year 2025-26 operating budget in support of this agreement in General Purpose Fund 1010, Parking Citations Assistance Center Organization (35351), DP350 Administrative Project (1003469), and Parking Management Program (IP60) and be it

FURTHER RESOLVED: That \$68,274 will be appropriated in Fiscal Year 2025-26 operating expenditure in General Purpose Fund 1010; and be it

FURTHER RESOLVED: That pursuant to OMC Section 2.04.042.D, the City Council may waive the requirements of this sections upon a recommendation of the City Administrator and findings and determination by the City Council that it is in the best interests of the City to waive solicitation processes because there would be no delay or disruption of service; and be it

FURTHER RESOLVED: That the City Council hereby finds that this project and action is exempt from the California Environmental Quality Act (CEQA) pursuant to the following CEQA Guidelines Sections: 15061(b)(3) and 15378(b)(4) and (5), as they involve government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment, and it is an organizational or administrative activity of government that will not result in direct or indirect physical changes to

the environment each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to execute any amendments or modifications to said contracts with the exception of those related to an increase in total compensation or the allocation of additional funds, and provided that such amendments or modifications shall be reviewed by the City Attorney and filed with the City Clerk's Office, without returning to City Council; and be it

FURTHER RESOLVED: That the agreement authorized hereunder is subject to City Attorney approval for form and legality and shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROWN, FIFE, HOUSTON, KAPLAN, RAMACHANDRAN, UNGER, AND
PRESIDENT PRO TEMPORE GALLO

NOES –

ABSENT – COUNCIL PRESIDENT JENKINS (serving as Mayor pursuant to Charter Section 303)

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California