



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Josh Rowan
Director, Oakland
Dept. of Transportation

SUBJECT: Parking Citation System Agreement
Extension

DATE: June 18, 2025

City Administrator Approval


Jestin Johnson (Jul 3, 2025 16:14 PDT)

Date: **03/07/2025**

RECOMMENDATION

Staff Recommends That The City Council Adopt A 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 Process; And**
- (3) Appropriating \$68,274 To The General-Purpose Fund; And**
- (4) Adopting Appropriate California Environmental Quality Act (CEQA) Findings**

EXECUTIVE SUMMARY

Staff are currently conducting a competitive Request for Proposal for Parking & Citation Management Solution, Automated Speed Safety Camera System And Related Solutions & Services, soliciting proposals for parking and citation management services similar to those currently provided by Modaxo. Staff estimates that it will take another six to twelve months to complete the competitive process and implement the resulting agreement(s) and related services.

Staff is therefore recommending that the City's agreement with Modaxo be extended to allow for up to one year for the results of that competitive process to be completed. Authorizing a one-year extension also requires that City Council waive the competitive process, which staff is recommending as it is in the best interest of the City to have uninterrupted services in support of parking enforcement operations and related revenues.

City Council
July 15, 2025

Staff is also requesting authorization to pay \$249,397 of invoices incurred during Fiscal Year 2024-25. These invoices can be paid from existing appropriations/carry forwards.

In addition, staff is requesting an additional appropriation of \$68,274 to the General-Purpose Fund 1010, Parking Citation Assistance Center Organization (35351), DP350 Administrative Project (1003469), and Parking Management Program (IP60).

BACKGROUND/LEGISLATIVE HISTORY

In January 2018, the City Council adopted [Resolution No. 87051 C.M.S.](#), authorizing the City to enter into an Agreement with Conduent State & Local Solutions, Inc. to provide Parking Citation Management Software, Parking Enforcement Hardware, Document Production, Mailing, and Special Collection Services, including installation, implementation, training, 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.

In June 2019, by [Resolution No. 87755 C.M.S.](#), City Council 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 \$366,000.00.

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

In June 2022, by [Resolution No. 89277 C.M.S.](#), City Council authorized an increase in the amount of \$876,000.00 to support 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.

In April 2023, pursuant to the authority granted by the council in [Resolution No. 87051 C.M.S.](#), the city administrator, entered into a two (2) year extension of the professional services agreement with Modaxo Traffic Management Inc, which acquired Conduent State & Local Solutions, Inc. The current agreement expires on April 1, 2025.

ANALYSIS AND POLICY ALTERNATIVES

The Oakland Department of Transportation (OakDOT) Parking and Mobility Division (PMD) manages all parking and curb space in the City, promoting the safe, efficient, and shared use of the parking supply through the issuance of parking permits and citations. This work is carried out primarily by the Parking Enforcement Unit (PEU), which issues citations to vehicles that are out of compliance with parking regulations on streets and in public parking facilities, and the

Parking and Mobility Assistance Center (PMAC), which facilitates payments of citation fines and penalties, administers and adjudicates contested citations, and issues residential parking permits and related tasks.

Parking enforcement and permits/citation management is supported by a comprehensive parking and citation management software and services solution currently provided by Modaxo Traffic Management Inc. The solution integrates in real time with field solutions, such as handheld and License Plate Recognition (LPR) devices, parking payments, citation-related data, parking permit data, limited web and telephone portal transactions, and complete records of all processing status, correspondence, and related activities by phone, internet, or mail. Related services provided by Modaxo include managing incoming/outgoing correspondence, payment processing, invoicing, and collections services related to parking permits and parking citations. Staff using the Modaxo systems and services find that Modaxo has consistently performed and has met its obligations under the current agreement.

The Fiscal Year 2024-2025 Midcycle Budget Adopted Revenues from parking citations was projected to be \$18,032,998. Recent budget-balancing measures adopted by the City Council to restore Parking Enforcement staffing levels are expected to increase FY 2024-2025 citation revenue to approximately \$21,348,000. The uninterrupted continuation of the parking enforcement and citation management services currently provided by Modaxo is an essential component of generating this additional citation revenue.

The City's staff are conducting a Request for Proposal 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. Staff estimate that to evaluate and implement vendor solutions may require six to twelve months beyond the expiration of the City's current agreement with Modaxo, which expired on April 1, 2025. Staff is recommending that the City's agreement with Modaxo be extended to allow time for this work to be completed.

Waiver of Competitive Process

Oakland Municipal Code (OMC) Title 2, Chapter 2, Article I, Section 2. 04. 042 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 pursuant OMC Title 2 to, 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.

Staff is requesting that the City Council waive the competitive process and LBE/SLBE requirements and authorize the requested contract extension to allow time for the City to complete the Request for Proposal for Parking & Citation Management, Automated Speed Safety Camera And Related Solutions & Services which solicits competitive proposals for parking and citation management solutions and services similar to those currently provided by Modaxo. An availability analysis related to the ongoing competitive process determined that

there were no certified LBE/SLBE businesses that could provide the needed systems and services, so the participation level was set at zero percent.

Alternatively, the City Council could elect not to waive the multiple-step solicitation process, but only with the implication that it would render virtually impossible the delivery of parking enforcement services and the collection of millions of dollars in citation fines and penalties. For this reason, staff finds that it is in the best interest of the City for the City Council to waive the requirement.

FISCAL IMPACT

In Fiscal Year 2024-25, the City expected to generate approximately \$18 million in parking citation revenue and has budgeted approximately \$2.26 million for expenses for this contract. Of this amount, \$503,000 is for Fixed Operations Fees and the remaining \$1,756,300 for the passthrough collection fees.

Staff is requesting an additional \$68,274 appropriation for the Fiscal Year 2025-26; revenue and expenditure accounts will be appropriated to the following funding code: General Purpose Fund 1010, Parking Citations Assistance Center Organization (35351), DP350 Administrative Project (1003469), and Parking Management Program (IP60).

The expenditure funds are available in Fiscal Year 2025-26 for this agreement in the following funding code: General Purpose Fund 1010, Parking Citations Assistance Center Organization (35351), DP350 Administrative Project (1003469), and Parking Management Program (IP60).

PUBLIC OUTREACH / INTEREST

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

COORDINATION

This report was prepared in coordination with the Budget/Controller's Bureau, the City Attorney's Office, and the Department of Transportation.

This agreement continues and memorializes an existing working arrangement between the City and Modaxo Traffic Management Inc.

SUSTAINABLE OPPORTUNITIES

Economic: The proposed resolution will continue to support the parking enforcement and citation management operations with no interruption in revenue generation for the City. It provides additional time to evaluate competitive proposals in response to the City's solicitation for parking and citation management solutions. The implementation of new parking enforcement

and citation management technology and services will increase the possibility of generating additional revenue and lead to improved organizational efficiencies.

Environmental: Maintaining access to parking facilities will continue to contribute to reducing greenhouse gas emissions due to less circling and idling of vehicles searching for parking.

Race and Equity: The proposed extension of the contract will provide additional time needed to enable the City to provide higher levels of service to the community, including internet and smartphone customer service options for parking permits and citations. Easier to use online customer service options provides convenience and allows individuals to purchase parking permits, avoiding parking citations, or to pay/protest citations before fines escalate. The City currently offers payment plans to low-income residents, and the software streamlines the management of these plans, making the process more efficient and accessible.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The recommended actions on the part of the City are exempt from CEQA, each as a separate and independent basis from CEQA pursuant to Section 15301 (Existing Facilities), Section 15061(b)(3) (No Significant Effect on the Environment), and/or under CEQA Guidelines Section 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.

ACTION REQUESTED OF THE CITY COUNCIL

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- (4) Adopting Appropriate California Environmental Quality Act (CEQA) Findings

For questions regarding this report, please contact Michael Ford, Parking & Mobility Division Manager, at 510-238-7670.

Respectfully submitted,



Josh Rowan (Jul 3, 2025 14:55 PDT)

JOSH ROWAN
Director, Department of Transportation

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