

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 180403-058

WHEREAS, The current citation, permit and special collections agreement with PRWT Services, Inc. was awarded in November 2008 with a term of five years and the option to extend for up to five additional years; the agreement will expire October 31, 2018; and,

WHEREAS, PRWT provides software and support to process approximately 1.3 million parking and transit citations annually that are issued by SFMTA Parking Enforcement and Proof of Payment Officers for violations through handheld electronic citation issuing devices or manually written citations; and,

WHEREAS, Costs under the current agreement are \$2.89 per citation processed, and 34% of all special collection revenue received, as well as costs incurred for purchasing handheld ticket writing devices and accessories, mobile license plate recognition (MLPR) cameras, equipment warranties, pass-through costs for credit card processing fees, residential permit parking (RPP) fulfillment and other support services; and,

WHEREAS, As of January 2018, approximately 13.8 million citations have been issued, and \$1 billion in revenue and \$72.1 million in expenses have accrued; and,

WHEREAS, With the current agreement due to expire on October 31, 2018, the Agency conducted a competitive procurement process and established a 12% Local Business Enterprise (LBE) goal; one proposal was submitted by Xerox, Inc. and was found by contract compliance to be responsive and responsible; and,

WHEREAS, Since the time of proposal submission, the parking services branch of Xerox has split off the main company to become Conduent, Inc.; Conduent has stipulated the firm will honor the commitment to services listed in Xerox's proposal and has taken the necessary steps to be recognized as a City Contractor; and,

WHEREAS, Citation and permit processing services and support will continue under the proposed agreement with a per citation fee of \$3.30 and includes software for citation issuance, processing and tracking, permit fulfillment, cashiering functions, notice and other correspondence dissemination, citation and towing protest adjudication, enforcement beat optimization, payment processing and accounting, and report generation and analysis; purchase of 400 new handheld devices for transit, parking and taxi personnel, and additional MLPR cameras to support RPP and scofflaw programs; and,

WHEREAS, The special collection services portion of the existing agreement will not be included in the proposed agreement in order to prevent any potential conflict of interest, whereby the vendor's citation processing efforts or lack thereof may contribute to a citation becoming delinquent requiring collection activities that could make more profit for the vendor at the expense of the SFMTA; and,

WHEREAS, On June 22, 2016, the SFMTA, under authority delegated by the Planning Department, determined that the Request for Proposals for citation and permit processing services is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Section 15060(c) and 15378(b); the determination also applies to the agreement generated from this RFP; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; and,

WHEREAS, Pursuant to San Francisco Charter Section 9.118, Board of Supervisors approval is required for contracts with expenditures in excess of \$10 million; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute SFMTA Contract No. 2016-83, Citation and Permit Processing Services with Conduent, Inc., to provide software and support to process parking and transit citations in an amount not to exceed \$77.2 million, for a five-year term, with a five-year extension option at the discretion of the Director of Transportation, and be it further

RESOLVED, That the Board of Supervisors is requested to approve SFMTA Contract No. 2016-83 pursuant to Charter Section 9.118.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 3, 2018.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency