

C-8

May 19, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute a Third Amendment to Contract No. 33533 with Unique Management Services, Inc., of Jeffersonville, IN, to provide continued collection services, in an annual amount of \$35,000, with a 15 percent contingency in the amount of \$5,250, for a total annual amount not to exceed \$40,250, for a period of one year, with the option to renew for one additional year, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to amend contract No. 33533 with Unique Management Services, Inc. (UMS), to continue providing collection services for up to two years.

The Department of Library Services (Library) requires a distinct approach to the recovery of library materials and fines. UMS is a nationwide collection agency that works exclusively with libraries. Their approach to recover overdue materials, fines and fees, without alienating patrons, involves sending letters and making telephone calls to patrons, including patrons who have moved out of state. Soon they will also be sending patrons email notifications. The Library can send real time debt information to UMS through their Library Management System (LMS). This partnership with UMS improves efficiency for staff to focus on providing exceptional public service.

The Library has been utilizing UMS since 2001, as they are the only vendor that interfaces with the Library's current LMS. Since that time, the Library has seen a return of more than \$2.3 million in materials and cash. Approximately 70 percent of the cases processed have responded to UMS collection efforts by returning materials or paying their fines and fees, resulting in a \$5.08 return on investment for the Library for every \$1 paid to UMS. UMS service includes 150-day "Gentle Nudge" process, consisting of four letters and three calls to the patron or parent/guardian. UMS regularly reviews the effectiveness of contact timing, so as to avoid harassment while maximizing material and revenue recovery for the Library.

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On August 5, 2014, the City Council authorized an agreement with UMS for a term of three years, with the option to renew for two additional one-year periods. Contract amendments included two term extensions with a revised scope of work.

In conjunction with the Library's anticipated LMS Request for Proposals (RFP) process, the Library will move forward with an RFP to select a vendor to provide collection services. The procurement of a new contract has been delayed due to staff shortages and the Billie Jean King Main Library move, as well as the COVID-19 response.

This matter was reviewed by Deputy City Attorney Amy R. Webber on May 5, 2020, Deputy Finance Director Sandy Tsang-Palmer on May 1, 2020, and by Revenue Management Officer Geraldine Alejo on May 4, 2020.

TIMING CONSIDERATIONS

City Council action to amend Contract No. 33533 is requested on May 19, 2020, to ensure the amendment is in place expeditiously.

FISCAL IMPACT

During the first year, the total contract amount will not exceed \$40,250, inclusive of a 15 percent contingency. The contract amount for year two will not exceed \$35,000. The total cost of the contract over a two-year period will not exceed \$75,250, and is appropriated in the General Fund Group in the Library Services Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The extension of the contract will provide continued support to our local economy.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



GLEND A WILLIAMS
DIRECTOR OF LIBRARY SERVICES

APPROVED:



THOMAS B. MODICA
CITY MANAGER