



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-8

333 West Ocean Blvd • Long Beach, California 90802

September 5, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute an agreement with Duncan Technologies to purchase Handheld Computerized Parking Citation Devices in an amount not to exceed \$350,000 including tax, and execute a lease-purchase Agreement with Bank of America Leasing & Capital, LLC that will not exceed \$200,000. Additionally, increase appropriations in the General Fund (GP) and the Department of Financial Management (FM) by \$200,000. (Citywide)

DISCUSSION

Within the City of Long Beach, parking citations are issued by the Department of Public Works (Street Sweeping and Airport); Police (Marine Patrol, Parking Enforcement and officers assigned to Long Beach City College); Community Development (Code Enforcement); Parks, Recreation and Marine (Park Rangers); Harbor; and Fire.

Presently, 88 percent of parking citations are being issued with handheld computer devices and the remainder are written by hand, using parking ticket books. To ensure accuracy and timeliness, it is important that as many citations as possible be issued using handheld computer devices which can automatically download into the citation processing and billing software database. Manually written citations must be inputted and, when paid, the payments must be manually entered.

The City presently owns 53 handheld computerized parking citation devices that are 18 years old, and the manufacturer stopped providing spare parts two years ago. They are currently being repaired by salvaging spare parts from scrapped units. These 53 units are being used by Street Sweeping, the Police Department and Code Enforcement. All other agencies are writing citations by hand. Additional devices will allow other departments to automate the citation process. The new devices will enable the City to store the citations in the database so that reports by geographic area (Council District, Police District, Code Enforcement District, Street Sweeping District, etc.) can be generated. The City currently does not have this capability. In addition, the Police Department will gain the capability to see which vehicles have received citations in areas of interest for crime fighting and Homeland Security purposes. Also, the new devices have built-in cameras to provide the capability to attach a color photo to the citation file for the purpose of resolving questions concerning the validity of the citation.

The Request for Proposal (RFP) was downloaded from the City website by 27 companies. Of these, four are Minority-owned Business Enterprises (MBEs), five are Women-owned Business Enterprises (WBEs), two are Long Beach businesses and three are certified small businesses. Six companies responded to the RFP for the replacement of the handheld computerized parking citation devices. None of these companies are MBEs, WBEs, Long Beach businesses or certified small businesses. A selection committee consisting of members from the Police, Public Works, Community Development and Financial Management Departments, following a series of presentations and demonstrations, selected Duncan Technologies from Oceanside, California, to provide the replacement devices. Duncan Technologies (formerly Enforcement Technology) also provides the processing and billing software presently being used by the Department of Financial Management. Prior performance, support, customer service and compatible technology interfaces contributed to their selection. In addition, Duncan Technologies is providing a \$24,500 trade-in allowance for the existing obsolete devices and a current-customer discount of \$40,000.

The proposed agreement contains the following major provisions:

- Quantity: Eighty (80) AutoCITE X3 handheld ticket issuance computers.
- Software: One license for the Network Version of AutoISSUE citation issuance management software.
- Hardware & Software Support: The first year is included in the agreement and estimated support costs of \$38,930 per year thereafter.
- Compensation: The City will pay Duncan Technologies an amount not to exceed \$350,000, including tax.

This agreement will provide devices to all citation issuers in the City. The Department of Financial Management also conducted a bid process to secure the most favorable lease financing terms. Requests for bids were solicited from 22 finance corporations, and 4 firms responded. Bank of America Leasing & Capital, LLC offered the best terms with a rate of 3.99 percent and is, therefore, recommended to provide the required financing.

This item was reviewed by Senior Deputy City Attorney Donna F. Gwin on August 24, 2006 and Budget Management Officer David Wodynski on August 25, 2006.

TIMING CONSIDERATIONS

City Council action on this item is requested on September 5, 2006, to enable the City to enter into the agreement and deploy the handheld ticket issuance computers as soon as possible. The proposed financing rates are valid through September.

FISCAL IMPACT

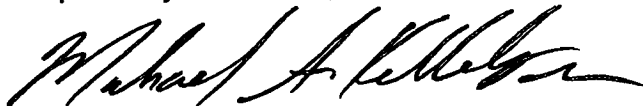
The total amount of the purchase agreement is \$350,000, with \$150,000 currently budgeted in the Department of Financial Management (FM) and in the General Fund (GP). The remaining \$200,000 will be financed over a four-year period. A budget adjustment of \$200,000 in the General Fund (GP) and the Department of Financial Management (FM) for the financed amount is required to expend the lease proceeds, and is included in the recommended action.

The total amount to be financed under the Bank of America Leasing & Capital, LLC agreement will not exceed \$200,000, and will be financed over a four-year period. The total debt service (principal and interest) for the agreement is approximately \$216,708.35. The first payment on the lease will be in FY 07. Sufficient funds have been budgeted in the General Fund to support this activity.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:


for GERALD R. MILLER
CITY MANAGER