

**CITY OF EL PASO, TEXAS
REQUEST FOR COUNCIL ACTION**

DEPARTMENT: MUNICIPAL CLERK/MUNICIPAL COURT DIVISION

DATE: June 3, 2008

CONTACT PERSON/PHONE: Richarda Duffy Momsen, Municipal Clerk 541-2971; Terence Freiburg, Purchasing Manager 541-4313

DISTRICT(S) AFFECTED: Defendants and Vehicle Owners With Delinquent Citations in All Districts

SUBJECT:

Approve the award of Solicitation 2008-104 Violation Collection Services to GC Services. GC Services offered the highest minimum recovery rate among the proposals received: 54.90%. This means the company is guaranteeing the collection of at least 54.90% of the delinquent Class C and parking citation cases referred to it for collection, with the highest return to the City's General Fund of the bids received. Its client history met the criterion; its information technology division is able to process our data effectively; it has a good record of customer service; and it offers medical benefits to its employees.

BACKGROUND / DISCUSSION:

On January 22, 2008 RFP #2008-104 was released for Violation Collection Services. Proposals were due back on March 12, 2008. A listing of all the vendors that submitted proposals is attached. Six vendors responded, but one was deemed non-responsive.

The evaluation committee consisted of four employees from different departments, all tasked with financial management for the City: Municipal Clerk, OMB, Comptrollers and El Paso International Airport. The rating of all the vendors was done in accordance with Purchasing Policies and Procedures. Four committee members rated each of the different vendors. One vendor did not include the minimum recovery rate and was declared non-responsive. Attached is the final scoring sheet for all the vendors. The evaluation committee determined that GC Services Limited Partnership provided the best value for the service.

Additional information of interest, but NOT used to determine award: GC Services is among El Paso's top ten private employers, employing over 1,000 people locally.

PRIOR COUNCIL ACTION:

Yes, the City has bid the collection services of Municipal Court fines and fees before and City Council has approved the award of the contract. The most recent award was in 2003, for a five year contract to GC Services.

AMOUNT AND SOURCE OF FUNDING:

It is important to note that no City money is paid to the collection agency. Section 103.0031 of the Texas Code of Criminal Procedure authorizes municipalities to pass on to the defendants and vehicle owners a 30% collection fee when an outside collection agency or firm is used. \$1,677,457 annually, is anticipated to be paid to the company based on the minimum recovery rate the company has guaranteed through the bid. The \$1,677,457 represents the agency's 30% collection fee against anticipated revenues in fines, bonds and fees of approximately \$5,591,000 annually, attributed to the agency's efforts. The City collects the fee from the individuals with the delinquent citations at the time the bond or fine is received by the Court. The 30% fee is then passed on the agency. That 30% collection fee amount is specified in the statute.

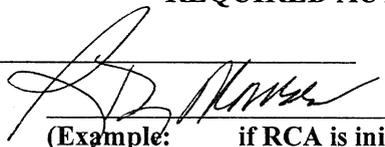
Municipal Court - #11010012-01101-203220

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____

FINANCE: (if required) _____

DEPARTMENT HEAD: _____


(Example: _____)

if RCA is initiated by Purchasing, client department should sign also)

COMMITTEE SCORE SHEET

VIOLATION COLLECTION SERVICES FOR MUNICIPAL COURT

2008-104

| | ALLIANCES ONE RECEIVABLES MANAGEMENT INC | DELGADO ACOSTA SPENCER LINEBARGER & PEREZ LLP | GC SERVICES PARTNERSHIP | GILA CORP dba MUNICIPAL SERVICES BUREAU | MCCREARY VESELKA BRAG & ALLEN LLP |
|---|--|--|----------------------------|---|--------------------------------------|
| Minimum Recovery Rate 30 (# points max) | 15.81 | 20.24 | 30.0 | 15.81 | 15.81 |
| Performance and Client History 10 (# points max) | 9.5 | 9.5 | 8.75 | 9.0 | 8.25 |
| References 10 (# points max) | 9.75 | 9.5 | 9.75 | 9.75 | 9.5 |
| Management and Information Technology Capabilities 30 (# points max) | 28.25 | 28.25 | 28.0 | 26.50 | 27.25 |
| Customer Service History 10 (# points max) | 9.75 | 9.00 | 10.0 | 9.75 | 7.75 |
| Employee Medical Benefits and Incentives 10 (# points max) | 6 | 8 | 6 | 8 | 10 |
| GRAND TOTAL (Maximum 100 points) | 79.06 | 84.49 | 92.5 | 78.81 | 78.56 |

CITY OF EL PASO BID TABULATION

| BID ITEM: VIOLATION COLLECTION SERVICES | | BID # 2008-104 | | | | | | | |
|---|---|--|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|
| BID DATE: MARCH 12, 2008 | | DEPARTMENT: MUNICIPAL CLERK - CITY CLERK | | | | | | | |
| | | ALLIANCE ONE RECEIVABLES MANAGEMENT, INC. GIG HARBOR, WA | | DELGADO ACOSTA SPENCER LINEBARGER & PEREZ, LLP EL PASO, TX | | GC SERVICES LIMITED PARTNERSHIP HOUSTON, TX | | GILA CORPORATION D.B.A. MUNICIPAL SERVICES BUREAU AUSTIN, TX | |
| ITEM NO. | ITEM DESCRIPTION | TARGET RECOVERY RATE | MINIMUM RECOVERY RATE | TARGET RECOVERY RATE | MINIMUM RECOVERY RATE | TARGET RECOVERY RATE | MINIMUM RECOVERY RATE | TARGET RECOVERY RATE | MINIMUM RECOVERY RATE |
| 1. | TRAFFIC/CLASS C WARRANTS/WARRANT FEES U. S. RESIDENTS | 30% (*) | 25% (*) | 33% | 28% | 51.05% | 54.90% | 30% | 25% |
| 2. | TRAFFIC/CLASS C WARRANTS/WARRANT FEES NON U. S. RESIDENTS | 20% (*) | 20% (*) | 26% | 21% | 33.75% | 38.00% | 25% | 20% |
| 3. | DELINQUENT PARKING CITATIONS TEXAS RESIDENTS | 33% (*) | 20% (*) | 49% | 44% | 54.60% | 59.20% | 26% | 20% |
| 4. | DELINQUENT PARKING CITATIONS NON TEXAS RESIDENTS | 21% (*) | 15% (*) | 22% | 17% | 16.00% | 19.00% | 22% | 15% |
| | | * ASSUMES A 5-YEAR CONTRACT TERM AND ABILITY TO RETURN UNCOLLECTIBLE ACCOUNTS. | | | | | | | |

NOTE: THIS IS A BEST VALUE PROCUREMENT. OTHER FACTORS BESIDES PRICE WILL BE CONSIDERED.

APPROVED BY: 

DATE: 3-12-08

CITY OF EL PASO BID TABULATION

| | | | | |
|---|---|---|---|--|
| BID ITEM: VIOLATION COLLECTION SERVICES BID DATE: MARCH 12, 2008 | | BID # 2008-104 DEPARTMENT: MUNICIPAL CLERK - CITY CLERK | | |
| | ALLIANCE ONE RECEIVABLES MANAGEMENT, INC. GIG HARBOR, WA | DELGADO ACOSTA SPENCER LINEBARGER & PEREZ, LLP EL PASO, TX | GC SERVICES LIMITED PARTNERSHIP HOUSTON, TX | GILA CORPORATION D.B.A. MUNICIPAL SERVICES BUREAU AUSTIN, TX |
| OPTION TO EXTEND: TO THE EXTENT PROVIDED FOR IN THE CONTRACT, THE CITY, AT IT SOLE OPTION, MAY EXTEND THE INITIAL TERM OF THIS CONTRACT FOR FIVE (5) ADDITIONAL YEARS PRIOR TO THE EXPIRATION OF THE CURRENT TERM. IF THE OPTION TO RENEW IS EXERCISED, THE CONTRACT WILL CONTINUE UNDER THE SAME TERMS AND CONDITIONS, SET FORTH HEREIN. THE TOTAL DURATION OF THIS CONTRACT, INCLUDING THE EXERCISE OF ANY OPTIONS UNDER THIS CLAUSE, SHALL NOT EXCEED TEN (10) YEARS. | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | NONE STATED YES <input type="checkbox"/> NO <input type="checkbox"/> | NONE STATED YES <input type="checkbox"/> NO <input type="checkbox"/> |
| BID BOND | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | CASHIER'S CHECK YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> |

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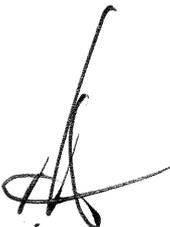
APPROVED BY:

DATE: 3-12-08

CITY OF EL PASO BID TABULATION

| BID ITEM: VIOLATION COLLECTION SERVICES | | | | BID # 2008-104 | | | |
|--|---|--|-----------------------|---|-----------------------|--|--|
| BID DATE: MARCH 12, 2008 | | | | DEPARTMENT: MUNICIPAL CLERK - CITY CLERK | | | |
| | | MCCREARY, VESELKA, BRAGG & ALLEN, P.C. ROUND ROCK, TX | | PUBLIC FINANCE STRATEGIES, LLC WALTHAM, MA | | | |
| ITEM NO. | ITEM DESCRIPTION | TARGET RECOVERY RATE | MINIMUM RECOVERY RATE | TARGET RECOVERY RATE | MINIMUM RECOVERY RATE | | |
| 1. | TRAFFIC/CLASS C WARRANTS/WARRANT FEES U. S. RESIDENTS | 28% | 25% | NON-RESPONSIVE | | | |
| 2. | TRAFFIC/CLASS C WARRANTS/WARRANT FEES NON U. S. RESIDENTS | 22.50% | 20% | | | | |
| 3. | DELINQUENT PARKING CITATIONS TEXAS RESIDENTS | 24% | 20% | | | | |
| 4. | DELINQUENT PARKING CITATIONS NON TEXAS RESIDENTS | 18% | 15% | | | | |

NOTE: THIS IS A BEST VALUE PROCUREMENT. OTHER FACTORS BESIDES PRICE WILL BE CONSIDERED.

APPROVED BY: 

DATE: 5/28/08

CITY OF EL PASO BID TABULATION

| | | | | |
|---|--|---|-------------------|--|
| BID ITEM: VIOLATION COLLECTION SERVICES | | BID # 2008-104 | | |
| BID DATE: MARCH 12, 2008 | | DEPARTMENT: MUNICIPAL CLERK - CITY CLERK | | |
| | MCCREARY, VESELKA, BRAGG & ALLEN, P.C. ROUND ROCK, TX | PUBLIC FINANCE STRATEGIES, LLC WALTHAM, MA | | |
| OPTION TO EXTEND: TO THE EXTENT PROVIDED FOR IN THE CONTRACT, THE CITY, AT IT SOLE OPTION, MAY EXTEND THE INITIAL TERM OF THIS CONTRACT FOR FIVE (5) ADDITIONAL YEARS PRIOR TO THE EXPIRATION OF THE CURRENT TERM. IF THE OPTION TO RENEW IS EXERCISED, THE CONTRACT WILL CONTINUE UNDER THE SAME TERMS AND CONDITIONS, SET FORTH HEREIN. THE TOTAL DURATION OF THIS CONTRACT, INCLUDING THE EXERCISE OF ANY OPTIONS UNDER THIS CLAUSE, SHALL NOT EXCEED TEN (10) YEARS. | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | YES <input type="checkbox"/> NO <input type="checkbox"/> | | |
| BID SECURITY: | CASHIER'S CHECK YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | YES <input type="checkbox"/> NO <input type="checkbox"/> | | |
| BIDS SOLICITED: 9 | BIDS RECEIVED: 6 | BIDS LOCAL: 4 | NO BIDS: 0 | |

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APPROVED BY: 
 DATE: 3-12-08

LESLIE & LAY PC
2731 -A MONTANA AVE
EL PASO, TX 79903

EQUIFAX GOVERNMENT SERVICES
4360 NORTHEAST EXPRESSWAY
ATLANTA, GA 30340

TANZY & BORRÉGO
2610 MONTANA AVE
EL PASO, TX 79903

GC SERVICES
6330 GULFON STE 400
HOUSTON, TX 77081

JOHNSON & VASQUEZ
4530 MONTANA AVE
EL PASO, TX 79903

ARMSTRONG LAW FIRM
~~6440 N. CENTRAL FRWY SUITE 203~~
DALLAS, TX 75206

change of address
5646 Milton St. STE 711

GC SERVICES LIMITED
PARTNERSHIP
6330 GULFON
HOUSTON, TX 77081

PUBLIC FINANCE STRATEGIES LLC
ATTN: STEVE DOUG
382 GRAHAM DR
COPPELL TX 75019

HOV SERVICES
BOB RAYNOR
2601 E YANDELL
EL PASO TX 79903