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Memorandum

TO: BATA Oversight Committee

DATE: April 3, 2013

FR: Executive Director

W. I. 1254

RE: Contract Amendment – Collection Services: Professional Account Management, LLC

This item would authorize the Executive Director or his designee to negotiate and enter into a contract amendment on a sole source basis with Professional Account Management, LLC (PAM) to extend its contract for collection services on toll violations and delinquent FasTrak[®] accounts through June 30, 2014. The annual cost of collection services is approximately \$450,000.

Background

In September 2007, following a competitive procurement, the Committee approved a contract with Professional Account Management, LLC (“PAM”) to perform collection services on toll violations and delinquent FasTrak accounts. The contract is due to expire June 30, 2013. PAM is reimbursed for its recoveries on a commission basis (30% of sums collected for violations and closed delinquent accounts and 40% of sums collected for legal collections). Since July 2008 to January 2013, PAM has recovered \$5,149,455 and has been paid \$1,523,471.

Staff is requesting the extension because we are in the middle of critical system upgrades at the Regional Customer Service Center (RCSC), which includes integration of Golden Gate Bridge, Highway, and Transportation District’s (GGBHTD) All Electronic Toll Collection System (AET).

Staff is also currently working with Xerox, the RCSC contractor, to upgrade the RCSC system. The upgrade is anticipated to be completed by December 2014. In addition, the RCSC is currently working with PAM on the collection file exchange for AET, which was fully implemented by the GGBHTD on March 27, 2013.

To maintain continuity and ensure compatibility during the RCSC system upgrade and AET implementation, staff proposes to extend the collections services contract with PAM for an additional year to June 30, 2014.

Recommendation

Staff recommends that the Committee authorize the Executive Director or his designee to negotiate and enter into a contract amendment with PAM to provide professional collection services through June 30, 2014 in an amount not to exceed \$450,000 for FY 2013-14, subject to the approval of the BATA budget for FY 2013-14.

 Steve Heminger

SH: gl

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.: 1254

Vendor: Professional Account Management, LLC

Work Project Title: Collection Services

Purpose of Project: Obtain collection services for toll violations and delinquent FasTrak[®] accounts through FY 2013-14

Brief Scope of Work: Perform collection services for delinquent FasTrak[®] accounts and for toll violations occurring on the seven State-owned Bay Area bridges and Golden Gate Bridge. The seven Bay Area bridges are: Antioch, Benicia, Carquinez, Dumbarton, Richmond-San Rafael, San Francisco-Oakland, and San Mateo-Hayward.

Project Cost Not to Exceed: \$450,000 for FY 2013-2014; based on adopted BATA budget for 2013-14.

Funding Source: BATA violation revenue

Fiscal Impact: Subject to approval of FY 2013 -2014 Operating Budget

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Professional Account Management, LLC for the services described above, and in the Executive Director's memorandum dated April 3, 2013 and the Chief Financial Officer is directed to set aside funds in an amount up to \$450,000 for such contract amendment in FY 2013 - 2014 subject to the approval of the BATA budget

BATA Oversight Committee:

Bill Dodd, Chair

Approved:

Date: