

**City of Culver City, California  
Agenda Item Report**

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| Meeting Date: 08/24/2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  | Item Number: <u>C-7</u>                                                           |  |
| <b>CITY COUNCIL AGENDA ITEM: Approval of a Professional Services Agreement with PetData for Animal Licensing Services.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |                                                                                   |  |
| Contact Person/Dept.: Jeff Muir/Finance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  | Phone Number: (310) 253-5865                                                      |  |
| Fiscal Impact: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  | General Fund: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |  |
| Public Hearing: <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  | Action Item: <input type="checkbox"/> Attachments: <input type="checkbox"/>       |  |
| Commission Action Required: Yes <input type="checkbox"/> No <input type="checkbox"/> Date: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                   |  |
| Public Notification: (E-Mail) Meetings and Agendas – City Council (08/19/09); (E-Mail) PetData (08/19/09)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |                                                                                   |  |
| Department Approval:<br>Jeff Muir (08/19/09)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  | City Attorney Approval:<br>Carol Schwab (by H. Baker) (08/19/09)                  |  |
| Chief Financial Officer Approval:<br>Jeff Muir (08/19/09)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  | City Manager Approval:<br>Mark Scott (08/19/09)                                   |  |
| <p><b><u>RECOMMENDATION:</u></b></p> <p>Staff recommends the City Council approve a professional services agreement with PetData for Animal Licensing Services.</p> <p><b><u>BACKGROUND:</u></b></p> <p>Approximately two years ago, the City brought the process of animal licensing in house. Prior to that time, this process was handled by the County of Los Angeles. Animal license processing was first handled by the City Manager's Office and subsequently moved to the Accounts Receivable Division of the Finance Department. Animal licensing is a time and labor intensive activity, which has taken significant time away from the Accounts Receivable staff that could be better spent on collection efforts and other opportunities for centralized billing. For this reason, staff has researched options for outsourcing this activity to a vendor that specializes in animal licensing.</p> <p><b><u>DISCUSSION:</u></b></p> <p>Through its research, staff has found that a company called PetData is the only full-service animal licensing provider in the United States. Animal licensing is their sole business and they have a highly efficient process which takes advantage of economies of scale. PetData has been in the licensing business for 14 years and has processed 3,100,000 licenses for more than 27 cities nationwide. Their clients have seen license sales increase by an average of 42% after contracting with them. They have 8 clients in California, including Torrance, Riverside and San Clemente.</p> |  |                                                                                   |  |

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PetData will provide the full daily operations services for animal licensing including mail processing, data entry, revenue deposits and tag mailings. They will also process annual renewal notices, delinquent notices and handle customer service calls. Their licensing system will be accessible by City staff over the internet, which will also allow the Animal Services Officer to have direct access (the ASO does not have direct access to the current system). Additionally, PetData provides pet owners with the option to pay for a registration online.

Pursuant to Culver City Municipal Code Section 3.07.070.A, a contract for professional services is not required to be formally bid, provided that the contract is based upon competitive quotations from not less than three vendor contractors, *whenever practical*. PetData supplied the City with a signed Sole Source Statement, indicating that to the best of their knowledge they are the only company offering comprehensive animal licensing programs to municipalities in the United States. Staff research has confirmed this. A contract term of three years is recommended.

The Animal Control Subcommittee discussed this item on August 17, 2009 and recommended moving forward to the City Council.

Should the City Council approve this item, it is expected PetData will take over licensing responsibilities effective on October 1, 2009.

**FISCAL ANALYSIS:**

The base fee for PetData is \$3.85 per license for a one-year license or replacement tag. There is also a \$2.50 Collection Service Fee for each late fee collected. There is also a \$1,000 one-time only start up fee to cover the cost of converting our data file. The City is currently processing slightly less than 2,000 licenses per year. Sufficient funding for this agreement is available in the Finance Department budget.

**ATTACHMENTS:**

None.

**MOTION:**

That the City Council:

- 1) Approve a three-year professional services agreement with PetData to provide animal licensing services in an amount not-to-exceed \$12,000 per year (for a total not-to-exceed \$36,000); and,
- 2) Authorize the City Attorney to review/prepare the necessary documents; and,
- 3) Authorize the City Manager to execute such documents on behalf of the City.