



# City of Culver City

## Staff Report

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**File #:** 22-48, **Version:** 1

**Item #:** C-15.

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**CC - (1) Approval of a Three-Year Professional Services Agreement with I.C. Systems, Inc. for Collection Services; and (2) Authorization to the Chief Financial Officer to Exercise Two One-Year Options to Extend the Agreement.**

**Meeting Date:** July 12, 2021

**Contact Person/Dept:** Punit Chokshi/Finance Department

**Phone Number:** (310) 253-5865

**Fiscal Impact:** Yes  No

**General Fund:** Yes  No

**Public Hearing:**

**Action Item:**

**Attachments:** Yes  No

**Commission Action Required:** Yes  No

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (07/07/2021)

**Department Approval:** Onyx Jones, Chief Financial Officer (07/01/2021)

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### RECOMMENDATION

Staff recommends the City Council (1) approve a three-year professional services agreement with I. C. Systems Inc. for collection services; and (2) authorize the Chief Financial Officer to exercise two one-year options to extend the agreement.

### BACKGROUND/DISCUSSION

The City of Culver City conducts billing for refuse (trash pick-up), ambulance, and other accounts receivable services. The City bills approximately \$14.6 million for refuse services to approximately 1,600 customers, \$1.8 million for ambulance services and \$700,000 for other accounts receivables annually.

While the City has a current vendor providing some account receivable servicing, the City is seeking to more actively and promptly undertake the collection of outstanding accounts. Professional services were sought by a firm able to exercise due diligence to effect collections using modernized approaches while employing such lawful means, methods, and procedures. In compliance with all applicable federal, state and local laws and regulations with regard to collection practices and

procedures, including but not limited to the Fair Debt Collection Practices Act (15 USC §1692), the selected firm will be responsible for providing the City with acknowledgement of accounts assigned, a statement of accounts on which full or partial recovery has been affected and a remittance check on a monthly basis, and itemization of amount(s) collected, amount(s) paid to City, commissions due and adjustments made on a routine basis. The selected firm shall also provide the City with account progress reports and balance updates on a mutually acceptable basis.

### **FISCAL ANALYSIS**

The costs for the collection services are contingent on accounts transmitted to the servicing agency. Funding is appropriated in the Fiscal Year 2021/2022, as included in object code 610400 to cover the cost of this procurement. Funding needs for the remainder of the service agreement will be incorporated into future annual budgets.

### **ATTACHMENTS**

None

### **MOTION**

That the City Council:

1. Approve a three-year professional services agreement with I.C. Systems, Inc. for collection services; and,
2. Authorize the Chief Financial Officer to exercise two additional one-year options for renewals; and,
3. Authorize the City Attorney to review/prepare the necessary documents; and,
4. Authorize the City Manager to execute such documents on behalf of the City.