

Memorandum



CITY OF DALLAS

DATE September 9, 2022

TO Honorable Members of the Public Safety Committee
Adam McGough (Chair), Cara Mendelsohn (Vice Chair), Tennell Atkins, Jesse Moreno,
Jaime Resendez, Casey Thomas, Gay Donnell Willis

SUBJECT **September 28, 2022, City Council Draft Agenda Item # L-7; 22-2031 DPD's Auto Pound Management and Tow Services**

The following agenda item is scheduled to go before City Council on September 28, 2022.

Draft Agenda Item # L-7; 22-2031

Authorize a five-year service contract in the amount of \$38,110,709.72, with a two-year renewal option in a total amount of \$15,244,283.88, as detailed in the Fiscal Information section, for auto pound management and tow services for the Police Department - Auto Return US, LLC, most advantageous proposer of three - Total Estimated net revenue; \$53,354,993.60 (Estimated annual net revenue of \$7,622,141.80)

BACKGROUND

This service contract will provide for auto pound management and tow services for the Police Department (DPD). The City's Auto Pound has operated at 1955 Vilbig since 1984 and is under the supervision of DPD. The City dispatches approximately 36,000 tows each year and receives approximately 33,000 vehicles at the auto pound. DPD has undertaken efforts to benchmark best practices among peer agencies and identify key strategies to improve auto operations, wrecker dispatch, and wrecker response. In this endeavor, the City has collaborated with Austin, San Antonio, Fort Worth, and Houston Police Departments to extract best practices. The research shows that these benchmark cities utilize private vendors to assist in wrecker management and auto pound operations and have realized marked improvement in these areas while reducing wrecker response times at secondary accidents.

The recommended vendor will be using their proprietary, vendor hosted dispatch system to aid 9-1-1 Communications dispatch center to electronically submit tow requests for Police and Parking Enforcement. Other services the recommended vendor will be providing are:

- An electronic portal for private tow operators to easily report non-consent tows to 9-1-1 Communications
- Provide two locations (Goodnight Lane 18.2 acres and East Ledbetter 4.87 acres) to route non-evidentiary towed vehicles. Both locations will operate on a 24/7 basis
- Provide an intuitive public website for vehicle owners to locate their vehicle regardless of the tow reason
- Provide a customer support call center on a 24/7 basis
- Partner with the City's current auctioneer service provider to oversee the auction services for abandoned vehicles stored at both locations

In addition to the award of this contract DPD will be presenting an agenda item to Council at a later date to adjust some fees related to emergency towing services and auto pound operations.

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Specifically, this future agenda item will seek approval to increase the following fees prior to the completion of implementation of the service contract:

Fee Description	Current Fee	Proposed Fee
Impound	\$20.00	\$21.03
Storage fee for vehicles under 25'	\$20.00/day	\$21.03/day
Storage fee for vehicles over 25'	\$35.00/day	\$36.80/day
Tow fee for Light Duty	\$139.00	\$150.00

A seven-member committee from the following departments reviewed and evaluated the qualifications:

- Police Department
- Department of Transportation
- Department of Information and Technology Services
- Office of Procurement Services (City Store)
- Office of Procurement Services

*The Office of Procurement Services only evaluated the revenue share.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Experience 30 points
- Revenue share 30 points
- Approach 25 points
- Capability 15 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$15.21; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 8, 2021, the Public Safety Committee was briefed via memorandum on this item.

The Public Safety Committee received information regarding ordinance changes related to this Request for Proposal on June 13, 2022.

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On August 8, 2022, the Public Safety Committee was briefed via memorandum on information regarding ordinance changes related to this Request for Proposal.

FISCAL INFORMATION

Initial Five-Year Term: \$38,110,709.72
Two-year Renewal Option: \$15,244,283.88

Total \$53,354,993.60

Estimated annual net revenue: General Fund \$7,622,141.94

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal
\$7,622,141.94	Other Services	N/A
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
27.60%	27.60%	\$2,103,956.00
• The Business Inclusion and Development Policy does not apply to Revenue contracts; however, the prime contractor is subcontracting with certified M/WBEs.		
• Auto Return US, LLC - Non-local; Workforce - 0.00% Local		

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Request for Proposal	<ul style="list-style-type: none">• Utilized for professional, personal, revenue, and planning services• Recommended offeror is the responsible offeror whose proposal most closely meets established criteria for the services advertised, based on demonstrated competence and qualifications at a fair and reasonable price• Always involves the evaluation by committee• Allows for negotiation on contract terms, including price
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The Office of Procurement Services received the following proposals from solicitation number BCZ22-00018438. We opened them on March 18, 2022. We recommend the City Council award this service contract in its entirety to the most advantageous proposer.

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<u>Proposers</u>	<u>Address</u>	<u>Score</u>
*Auto Return US, LLC	9440 W. Sahara Ave Suite 215 Las Vegas, NV 89117	90.33
UR VMS	11239 Goodnight Ln. Dallas, TX 75229	79.02
UR International, Inc.	10701 Corporate Dr. Suite 377 Stafford, TX 77477	76.11

Should you have any questions regarding this item, please contact me at (214) 670 5299.



Jon Fortune
Deputy City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bazor Tolbert, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Robert Perez, Interim Assistant City Manager
Carl Simpson, Interim Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors