



Honorable Mayor and Members of the Hermosa Beach City Council

**APPROVE THE FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT
FOR CITATION PROCESSING SERVICES WITH TURBO DATA SYSTEMS, INC.**

(Administrative Services Director Brandon Walker)

Recommended Action:

Staff recommends City Council:

1. Approve the proposed first amendment to agreement with Turbo Data Systems, Inc. to provide citation processing services increasing the not-to-exceed contract amount from \$221,386 to \$280,200; and
2. Authorize the City Manager to execute the proposed amendment, approve minor modifications if necessary, and execute all related documents, with the City Clerk attesting the agreement subject to approval by the City Attorney.

Executive Summary:

Staff requests approval of the proposed amendment to increase the not-to-exceed contract amount with Turbo Data Systems, Inc. to provide administrative citation management services and to accommodate additional expenses related to newly added collection services and higher-than-anticipated citation issuances under the City's existing parking management agreement.

Background:

At its January 14, 2025 meeting, City Council approved a three-year, \$221,386 contract with Turbo Data Systems, Inc. to modernize the City's parking operations. Under this agreement, Turbo Data implemented a cloud-based, fully integrated system that manages parking permits, citation issuance and payments, and hearing and adjudication processes.

The platform allows residents and visitors to apply and pay for parking permits online while enabling City staff to manage approvals, enforcement, and disputes through automated, real-time workflows. Overall, the system has streamlined parking management, improved operational efficiency, and enhanced the customer experience through a secure, unified digital platform.

Past Council Action

Meeting Date	Description
<u>January 14, 2025</u>	City Council approved a contract with Turbo Data Systems, Inc. for Parking Program/Citation Management for a three-year term not-to-exceed \$221,386

Analysis:

Parking Citation Management

Staff requests approval to increase the not-to-exceed contract amount with Turbo Data Systems, Inc. to cover additional costs resulting from higher-than-anticipated parking enforcement activity and the addition of collection services. The original \$221,386 contract included variable charges based on the number of citations issued, meaning that as enforcement activity has increased, so have associated expenses. However, these higher costs are more than offset by the additional citation revenue collected.

As of October 2025, the City of Hermosa Beach has issued 43,695 parking citations, compared to 33,919 citations during the same period in 2024—a 28.82% year-over-year increase in enforcement activity. This growth reflects more consistent citation issuance and improved monitoring and compliance efforts. With two months remaining in the calendar year, the total number of citations for 2025 has already surpassed the 2024 calendar year total of 41,717, indicating a continued upward trend in citation volume and related fine revenue.

The City has also begun utilizing Turbo Data’s collection services, which includes a 25% collection fee. Despite this cost, the City has already recovered nearly \$30,000 in outstanding citation revenue through these efforts in the two months since the full rollout. The increased contract authority is therefore necessary to fund added system usage, transaction fees, and collection activities while ensuring continued efficiency, compliance, and uninterrupted service as parking enforcement and recovery efforts expand.

Any additional expenses will be tied directly to the extra revenue Turbo Data is able to recover through its collection efforts. These are dollars the City has historically struggled to collect in-house — meaning every dollar recovered is new revenue that would not have otherwise been realized. Additionally, significant staff time is saved with this new process since the collection efforts are automated and completed by Turbo Data – freeing up staff to work on other projects.

Administrative Citation Management

The City of Hermosa Beach issues administrative citations to enforce local laws through civil—not criminal—penalties. These citations address violations such as property maintenance issues, illegal signage, unpermitted construction, unauthorized short-term rentals, stormwater violations, illegal dumping, e-bike violations in restricted areas like the

Strand, Pier Plaza, and the Greenbelt, and dog off-leash violations in public spaces where leashes are required or dogs are prohibited.

The City's current administrative citation process is manual, involving multiple departments and extensive staff time for issuance, billing, and collections. This approach increases labor costs, delays revenue recovery, and limits the City's ability to collect delinquent citations.

Partnering with Turbo Data Systems will automate these functions through a cloud-based platform that manages citation entry, payment processing, and delinquent collections. The system significantly reduces staff workload and improves collection rates while tying costs directly to recoveries.

The City currently processes approximately 235 administrative citations per year, requiring an estimated 45 to 75 minutes of staff time per citation. This equates to an annual labor cost of roughly \$9,000 to \$15,000. Transitioning to Turbo Data Systems will automate citation processing, billing, and collections through an online platform—significantly reducing staff workload and improving efficiency.

Under the proposed model, collection rates are projected to increase from approximately 70% to 90%, resulting in more than \$11,000 in additional recovered revenue annually. The total cost of the TDS program is estimated at \$4,600 per year, or about \$9,200 over two years, covering citation processing, hosting, and mailing services.

Overall, automating the administrative citation issuance and collections process is expected to generate \$17,000 to \$22,000 in annual net savings and new revenue, transforming a manual, staff-intensive process into a streamlined, automated system that enhances accountability and overall revenue recovery.

Integration of Turbo Data with Parking and ALPR Systems

To maximize the efficiency and effectiveness of the City's citation management program, staff recommends adding system integration between Turbo Data Systems and the City's parking meter and Automated License Plate Recognition (ALPR) technologies. This integration will enable seamless data sharing, allowing enforcement officers to access real-time parking and citation information in the field.

The estimated one-time integration cost is approximately \$6,000, with ongoing annual maintenance and licensing costs of about \$3,000. These expenses would be added to the Turbo Data program budget to support technical setup, data connectivity, and continued system performance.

Integrating this software with the City's parking and ALPR platforms will provide significant operational benefits, including:

- Real-time data access for enforcement officers to identify unpaid citations, expired meters, or repeat violators instantly.
- Improved enforcement efficiency, reducing time spent manually checking vehicle status or verifying plate data.
- Streamlined citation accuracy by automatically linking meter and plate data to citation records, minimizing errors and duplication.
- Enhanced revenue recovery through faster identification of violations and better coordination between systems.

This integration supports the City’s broader goal of modernizing its parking enforcement operations, improving customer service, and ensuring more effective use of staff resources while maintaining fiscal efficiency.

Fiscal Impact:

Approval of this amendment will increase the three-year not-to-exceed contract amount by \$58,834, from \$221,000 to \$280,200 for citation processing services. The increase in the current fiscal year can be absorbed by expected additional citation revenue and will be budgeted for in subsequent fiscal year.

Service	Contract Amount
Admin Citation Processing	\$9,200
ALPR and Meter Integration	\$12,000
Additional Collections and Processing for Increased Citation Issuance	\$37,634
TOTAL (Over Two Years)	\$58,834

Agreement Modification Request				
Agreement	Current Authorized Amount	Modified Request Amount	FY 2025-2026 Budget Dept. Account #	Total Revised Contract Amount
Turbo Data Systems, Inc.	\$221,386 (over three years)	\$58,834	001-1204-4201	\$280,200

Attachments:

1. Professional Services Agreement with Turbo Data Systems, Inc.
2. Proposed First Amendment to the Agreement with Turbo Data Systems, Inc.
3. Turbo Data Systems, Inc. Cost Proposal

Respectfully Submitted by: Brandon Walker, Administrative Services Director

Concur: Ken Bales, Senior Management Analyst

Noted for Fiscal Impact: Brandon Walker, Administrative Services Director

Legal Review: Jason Baltimore, Interim City Attorney

Approved: Steve Napolitano, Interim City Manager