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**Title:** Award a contract in the amount of \$2,005,710 to IPS Group Inc. for the purchase, installation, and support of 2,000 credit card enabled parking meters (Bid File 9463) (Council District 3).

**Sponsors:** Planning and Development Department

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11/5/2020	1	City Council	approved	Pass

**REPORT TO THE CITY COUNCIL**

**November 5, 2020**

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**SUBJECT**

Award a contract in the amount of \$2,005,710 to IPS Group Inc. for the purchase, installation, and support of 2,000 credit card enabled parking meters (Bid File 9463) (Council District 3).

**RECOMMENDATIONS**

Staff Recommend that Council:

1. Adopt a finding of Categorical Exemption per staff's determination, pursuant to Class 1 Section 15301(c) (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines.
2. Award a contract to IPS Group Inc. in the amount of \$2,005,710, for the purchase of 2,000 single space credit card enabled parking meters, vehicle occupancy sensors, training services, and hosted web-based data management software.

3. Authorize the Planning and Development Director, or designee, to execute the contract on the City's behalf.

## EXECUTIVE SUMMARY

The Planning and Development Department's Parking Division issued a Request for Proposal (RFP) for the purchase, installation, and support of 2,000 credit card parking meters and data management software. IPS Group Inc. is found to be the most responsive bidder. A final proposal provided by IPS Group Inc. includes all upfront equipment, annual support, data connectivity, and installation cost, less applicable sales tax in the amount of \$2,005,710. These credit card parking meters will replace the current coin-only parking meters and will be funded through lease agreement payments over the span of five years beginning in FY2021. Annual support and the data connectivity cost of \$222,000 will be supported by current and anticipated increase parking meter revenue.

## BACKGROUND

Staff conducted a pilot product demonstration of 60 IPS Group Inc.'s single-space credit card parking meters beginning in January 2020. Staff studied the benefits of the new parking meters while simultaneously providing parking patrons the opportunity to interact with the proposed parking meters. The pilot highlighted features such as malfunction alerts and the access to real-time revenue, collection data, display text updates, and occupancy data via the data management software.

### Current State

There are roughly 2,000 coin-only metered parking spaces in Downtown. Coin-only parking meters do not have data reporting capabilities, lack a secure coin collection process, and use 7,440 AA alkaline batteries annually. The coin-only parking meters support a proprietary pre-paid chip card, which credit card meters do not support. The Parking Division plans to phase out the meter cards prior to the implementation of credit card parking meters.

### Benefits and Technology

From a customer convenience perspective, the credit card parking meters will allow the City to meet customer desires for a reliable and easy to use parking meter that accept credit cards and coins. Customer benefits also include an easy-to-read display, increased reliability, and solar powered devices. Operational benefits include a cloud-based software that provides detailed real-time revenue, occupancy, maintenance, collections, and audit reports. Vehicle occupancy sensor and payment data will provide rich analytics about downtown travel patterns such as vehicle turnover and length of stay.

Alert features will notify Meter Attendants of immediate repair needs that impact the functionality of the meter. IPS Group Inc.'s closed collection process uses a closed coin canister to exchange coins directly from the meter to a locked collection box, without Attendant contact with the coins. These credit card meters address specific security and controls concerns from a 2018 Internal Audit findings: an unsecured coin collection process, attendants using open cans, and lack of revenue accounting from the point revenue is accepted.

Walker Consultants, recognized as a national expert in the field, completed a financial and operational analysis of the City's Parking Division in 2019. Walker Consultant forecasted a 30%

revenue increase based on the experiences in other cities after the implementation of credit card parking meters. Projected ongoing operating cost will be approximately \$222,000 annually. The operating costs in fiscal year 2021 and subsequent years will be funded through parking meter revenue. General Fund revenues will increase from the implementation and will fund the ongoing annual operating costs of operating the parking meters.

## **ENVIRONMENTAL FINDINGS**

Staff has determined that it falls within the Class 1 Categorical Exemption set forth in CEQA Guidelines, Section 15301(c), as this contract is for the replacement of existing parking meter heads on existing parking meter poles. Furthermore, none of the exceptions to the Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

## **LOCAL PREFERENCE**

No bidders qualified for the local business preference pursuant to Fresno Municipal Code Section 4-108(a).

## **FISCAL IMPACT**

The lease payment is included within the General Fund's five-year projections. The first lease payment for these parking meters will be due in fiscal year 2021.

Attachment:  
Bid Evaluation