City of Culver City, California

City Council Agenda Item Report

Meeting Date: 5/26/09	Item Number: A-8
AGENDA ITEM: FOUR FIFTHS VOTE REQUIREMENT - Approval of (1) an Agreement with Duncan Parking Technologies to Purchase and Install Pay-by-Space Parking Meters on Main Street in Downtown Culver City and (2) a Budget Amendment Related Thereto.	
Contact Person/Dept.: Eric Mirzaian-Public Works	Phone Number: (310) 253-6410
Fiscal Impact: Yes [X] No []	General Fund: Yes [] No [X]
Public Hearing: [] Action Item: [X]	Attachments: [X]
Public Notification: Master E-Mail Notification List (05/20/09); Duncan Parking Technologies; Digital Payment Technologies; Metric Parking, Inc.; MacKay Meters, Inc.; IPS Group, Inc.; Parkeon, Inc.; Cale Parking Systems USA, Inc.; via letter on May 19., 2009.	
Department Approval: Charles D. Herbertson (05/15/09)	City Attorney Approval: Carol Schwab (by H. Baker) (05/19/09)
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (05/20/09)	City Manager Approval: Jerry B. Fulwood (05/20/09)

RECOMMENDATION:

Staff recommends the City Council approve: (1) an agreement with Duncan Parking Technologies (Duncan) to purchase and install pay-by-space parking meters on Main Street in Downtown Culver City and (2) a related budget amendment.

A budget amendment requires a four-fifths vote.

BACKGROUND:

Staff from the Public Works Department evaluated new parking technologies used by other municipalities and determined that pay-by-space parking meters are becoming more commonly used in cities nationwide and internationally in lieu of traditional individual-space, coin operated parking meters.

At its October 13, 2008 meeting, the City Council authorized the Public Works Department to solicit proposals from qualified firms to commence with a pilot program to implement pay-by-space parking meters on Main Street. As part of the pilot program, twenty (20) existing single space meters will be replaced by two pay-by-space meters (one meter on each side of the street). During the pilot program, staff will evaluate the effectiveness of pay-by-space parking meters based on the following parameters:

- Convenience and flexibility with multiple payment options
- Ease of parking enforcement
- Downtime and maintenance costs
- Revenue from meter operations
- Data collection
- Parking turnover rate
- Aesthetics and community acceptance

DISCUSSION:

On November 14, 2008, a Request for Proposal (RFP) was released to qualified firms that provide and install pay-by-space meters. On January 8, 2009, Staff received proposals from the following firms: Duncan Parking Technologies; Digital Payment Technologies; Metric Parking, Inc.; MacKay Meters, Inc.; IPS Group, Inc.; Parkeon, Inc.; Cale Parking Systems USA, Inc. The proposals received by these firms are summarized below:

Meter Pricing	Duncan	Digital	Metric	MacKay	IPS*	Parkeon	Cale****
Meters (2)	$12,130	$13,400	$14,000	$18,918		$15,496	$15,000
Installation	$1,000	$1,500	$1,000			$2,990	$500
Training	$3,720	$2,500	included				included
Warranty	included			included		included	$1,176
Software	$4,600		$13,400				
1st Yr Annual Fee**	$3,256	$1,800	$359	$1,155		$2,868	$1,320
Accessories***	$9,380	$16,103					$500
TOTAL	$34,086	$35,303	$28,759	$20,073	----	$21,354	$18,496

* No cost information is included for IPS Group, Inc. due to the fact they did not meet the requirements of the RFP by proposing accessories and options for single space meters.

** This fee includes annual monitoring fees for credit card transactions and software registration.

*** Accessories include handheld citation devices, technician ID cards and optional features.

**** Cale Parking Systems USA, Inc. submitted their proposal one day after the proposal due date.

Staff is requesting the City Council approve an agreement with Duncan Parking Technologies at a not-to-exceed cost of $34,086 plus a 15% contingency. The range in proposal amounts above is attributed to the various features and options

offered by the different vendors. Duncan's cost includes $7,000 for the purchase of in-ground parking sensors that will reset parking times to zero when vehicles leave a parking space. This feature will increase parking turnover and not allow motorists to piggyback on previously purchased time. Duncan's method is unique in the sense that it will reset time automatically through wireless communication once a vehicle leaves a parking space with time left. The wireless technology eliminates the need for paper receipts which in turn simplifies meter operation and reduces meter maintenance and operating costs.

Other companies proposed technology that would prevent meter feeding by the use of validation codes on printed receipts and not through wireless communication. Thus, their meters do not automatically reset and time remaining on the meter after the original parker vacates the spot could be utilized unless there is an attempt to purchase additional time by a new parker. In that case, the meter would reset to zero. An additional benefit of this sensor technology is that it will increase parking turnover on the street and thus increase parking availability for customers. It has been observed that employees of some of the businesses on Main Street may be parking their vehicles on the street and continuously feed money into the existing meters. This has also been a problem in other areas of the City where parking meters are located. The new technology will not allow vehicles to park beyond the two hour limit, thus essentially eliminating meter feeding.

Staff's original estimate for the pilot program was $22,000. This broad estimate was based on average costs of various models of pay-by-space meters and did not include specific costs such as warranty, annual monitoring fees and certain optional features. One of the parameters that will be analyzed during the pilot program will be the payback period of these meters (the length of time it will take to recover the initial capital outlay through anticipated revenue increases and reduced maintenance costs).

This item was originally scheduled to be considered by Council at its February 9 meeting, however, the item was pulled due to a written request by one of the proposers (Parkeon) to reconsider Staff's recommendation to award to Duncan. Parkeon's letter is included in this report as an attachment. Below are Parkeon's comments and Staff's responses to the comments in the letter:

> The key to parking turnover is not sensors but enforcement:
> ***Staff response: The use of sensors will supplement the work done by the City's enforcement personnel. Sensor technology will let Staff know how much time is remaining on all the spaces in the area and which spaces are about to expire. Sensor technology will also eliminate piggybacking on previously purchased time.***

Parkeon's space management system zeroes out the meter when each new payment is made:
Staff response: The sensor technology proposed by Duncan relies on wireless technology to zero out meters when parked vehicles leave spaces. The meters proposed by Parkeon and the other proposers rely on validation code printed on receipts. It is staff's intent to utilize a paperless operation with regards to these meters for environmental and maintenance purposes.

Parkeon offers "pay-at-any-meter" technology. The proposed vendor's system does not:
Staff response: All meters proposed for this pilot program allow "pay-at-any-meter" technology. Duncan's proposal includes the necessary software to allow this technology to be applicable for the pilot program.

The meters are too big:
Staff response: The Parkeon meter has a footprint of 11" x 11" and is 62" inches tall. The Duncan meter has a footprint of 11" x 8" and is 48" tall.

Parkeon also offers a "no paper receipt" option; the proposed vendor is not the only one that can do it.
Staff response: All proposers have the capability of providing a "no paper receipt" option for their meters.

Parkeon's system also offers wireless real time authorization for credit card transactions:
Staff response: Per a requirement in the RFP, all proposers met the Level 1 Payment Certification Industry (PCI) compliance. Thus, all vendors must meet data security requirements outlined by the PCI.

Parkeon meters perform up to 400 self diagnostic checks:
Staff response: With the exception of Digital Payment Technologies, all vendors were fully compliant on this aspect. Duncan's proposal includes the back-end meter management system that performs self-diagnostic checks and report generation. The system will alert staff when a meter is out of order, thus allowing for prompt service/repair and minimal meter downtime and loss of revenue. With our current single head meters, our Parking Meter Technician is repairing approximately 30 meters per day. The only way the Technician knows that a meter is out of order is by either visually observing a meter that is out of order or if it is reported by the public. Thus, meters have the potential of being out of order for numerous days without staff's knowledge resulting in the loss of on-street parking and revenue.

Additionally, Parkeon offered a 90-day trial offer of its meter for free. Staff determined it was not in the City's best interest to accept the offer from Parkeon for two reasons. First, 90 days does not grant sufficient time to fully determine the effectiveness of their meters (or any other vendor's meter for that matter). Second, to be fair, other vendors would have to be offered the chance to provide a free trial in response to Parkeon's offer. It would not be convenient to have multiple meter models throughout the City and would cause confusion for the public.

Staff is confident in its due diligence and research on multi-space meters and, based thereon, still recommends the approval of the contract with Duncan. Duncan has a long-standing partnership with Culver City for over 44 years. Thus, Staff is very familiar with Duncan's resources, technology and reliability just as Duncan is familiar with the City's parking operation. Additionally, Duncan is currently in the process of designing pay-by-space meters that can accept the cash keys utilized by the residents of the City. This will provide another convenient payment option for residents. These models will be available upon completion of the pilot program.

After evaluation of all proposals received, Duncan's proposal was found to come closest to meeting a majority of the RFP requirements in terms of desired capabilities and options including aesthetics of the meters, report generation, maintenance notifications and sensor technology. Most importantly amongst these factors, Duncan's meters are smaller and more aesthetically pleasing for installation in the public right-of-way than all but one other company (Digital) and their meters are the only ones to offer wireless communication that automatically resets the meter when a car vacates the parking space.

A substantial portion of this contract consists of services (installation, training, technical support, warranty service) and, therefore, is not subject to formal bidding requirements per Culver City Municipal Code Section 3.07.070.

FISCAL ANALYSIS:

Funding is available in the Parking Meter Equipment Capital Improvement Project Account (42100376) in the amount of $34,639 to fund the pilot program. The contingency amount of $5,161 will need to be funded from the Parking Meter Reserve Fund, which has sufficient funding. This will require a budget amendment.

A budget amendment requires a four-fifths vote

ATTACHMENTS:

1. Proposal submitted by Duncan Parking Technologies (cost sheet only)
2. Letter from Parkeon
3. Photos of all meter models proposed by all vendors with dimensions

MOTION:

That the City Council:

1. Approve an agreement with Duncan Parking Technologies to purchase and install pay-by-space parking meters and all applicable accessories and options on Main Street at a cost not to exceed $34,086; and,

2. Authorize the Public Works Director/City Engineer to approve change orders, if necessary, in an amount not-to-exceed $5,158 (15% contingency); and

3. Approve a budget amendment to increase P-376 (42100376) by $5,161 (a budget amendment requires a four-fifths vote); and,

4. Authorize the City Attorney to review/prepare the necessary documents; and,

5. Authorize the City Manager to execute such documents on behalf of the City.