



Office of the City Manager

CONSENT CALENDAR
March 19, 2024

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Andrew Murray, Interim Director of Public Works
 Subject: Contract No. 108090-1 Amendment: IPS Group, Inc. for Parking Management System, Parking Meter Maintenance, and Conversion to Pay-by-Plate Pay Stations

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend Contract No. 108090-1 with IPS Group, Inc. to:

- Extend the contract from June 30, 2024 through June 30, 2026 for IPS Group, Inc. to continue servicing parking meters and providing replacement parts;
- Provide 225 new multi-space pay-by-plate stations to replace the existing multi-space pay-and-display stations in the City; and
- Increase the contract amount by \$3,865,300 for a total contract amount of \$12,790,172.

FISCAL IMPACTS OF RECOMMENDATION

The contract amendment will increase IPS Group, Inc.'s total contract amount by \$3,865,300 for a total contract amount not-to-exceed of \$12,790,172. Funding is available in the Parking Meter Fund (Fund 631) in the amount of \$3,029,075 for FY 2025 and \$836,225 for FY 2026. Below is a table of anticipated annual expenditures:

	FY 2025	FY 2026
System Service, Equipment Maintenance and Parts	\$1,241,796	\$836,225
Multi-space Pay Station Hardware	\$1,787,279	n/a
<i>SUBTOTAL</i>	\$3,029,075	\$836,225
	FY 25-26 TOTAL	\$3,865,300

CURRENT SITUATION AND ITS EFFECTS

The City uses 2,032 single-space parking meters and 243 multi-space pay stations supplied by IPS Group, Inc. to manage public on-street parking in commercial districts throughout the City. IPS “smart” meters and pay stations accept coin and credit card payments and are equipped with T-Mobile and Verizon modems allowing them to

connect to cellular networks for programming and to send transaction-related information. Staff retrieves transaction data and program meters via a web-based software operating system that is maintained by the vendor.

The City implemented the use of IPS smart single-space meters starting in the end of 2010, and by the end of 2014, IPS smart meters were installed citywide. Subsequently, IPS multi-space pay-and-display stations were installed in 2015. The equipment has proven to be a cost-effective parking management mechanism, positively impacting operations by making it easier for customers to pay for parking while improving the integrity of parking data for staff. The City assumes a ten-year operable lifespan for single-space meters, and seven years for pay stations. Over eight years have elapsed since the pay-and-display stations were installed and therefore replacement is overdue.

IPS Group, Inc. will provide 225 multi-space pay-by-plate pay stations, replacement parts, supplies, wireless data connection fees, system licenses, and repair services to replace the existing pay stations and to continue servicing the single-space meters, which were replaced over the past several years. There are 243 IPS pay-and-display stations in the City, but only 225 new IPS pay-by-plate stations are needed. Thirteen pay-by-plate stations were previously installed as part of the SmartSpace Parking Pilot Program in 2022, and five pay-and-display stations were removed for construction of the Southside Complete Streets Project. Without replacement of the multi-space pay stations, which are past their operable lifespan, the equipment is prone to functionality issues that would impact all payment/revenue transaction, setting rates and time limits, and alerting staff to malfunctions. This amendment will replace 225 multi-space pay stations to ensure an operable equipment lifespan of seven more years, and maintain the City's remaining parking meter equipment and system for two additional years.

Amending the contract supports the Strategic Plan Priority Project of advancing our goal of creating a resilient, safe, connected, and prepared city.

BACKGROUND

The City has used IPS "smart" coin and credit card meters since adopting Resolution No. 65,119-N.S. on December 7, 2010, when they were introduced in the grant-funded Berkeley Transportation Action Plan (B-TAP) to facilitate demand-responsive pricing and time limit adjustments. The B-TAP pilot project was later renamed the goBerkeley parking management program, and became a permanent baseline program in 2015.

In November 2015, the City entered into a contract with IPS Group, Inc. after adopting Resolution No. 67,093-N.S. The contract was extended via amendments authorized by Resolution No. 69,419-N.S. on May 26, 2020, and again after Resolution No. 70,237-N.S. was adopted on February 22, 2022. The original contract and subsequent amendments provided funding for critical infrastructure upgrades for cellular network connectivity and extended the contract to June 30, 2024. These upgrades have not yet

been completed due to vacancies within Public Works, including the Parking Services Manager, the senior-most parking staff member.

Replacing pay-and-display with pay-by-plate pay stations comes with many benefits. Pay-by-plate gives the option to pay at any pay station on the block. If you pay for parking but leave prior to expiration, you may return to the same block and park without paying again, as long as you are within the original paid time. It streamlines enforcement, giving parking control officers more time to focus on safety issues like double-parking and neighborhood issues like residential permit parking enforcement.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Both parking meter types are powered by environmentally friendly solar panels and a combination rechargeable and back-up battery pack. The pay stations include sensors that conserve battery life from the LED lighting that is illuminated with detection of customer presence or when a transaction is initiated. Additionally, proximity sensors in pay stations will “awaken” a meter upon a customer’s arrival, maximizing efficiency.

RATIONALE FOR RECOMMENDATION

The IPS parking meter system, including single-space meters and pay stations, the web-based meter programming software, replacement parts, and support services are required to maintain the City’s parking management operations, which generate revenue for the City. Currently the City has 225 multi-space pay stations that are past their operable lifespan and require replacement. Replacing the 225 pay stations in 2024 will reduce the City’s expenses related to pay station maintenance over the next seven years (their operable lifespan). Other operational benefits of replacing existing pay-and-display pay stations with pay-by-plate pay stations are described in “Background”.

ALTERNATIVE ACTIONS CONSIDERED

Council could decide not to extend the term of the contract or extend it for one year instead of two. If Council were to decide not to extend the contract, meter and pay station software and hardware would not be serviced by IPS Group, Inc., leaving the City without a parking management system and no parking meter revenue. Extending the contract by one year instead of two would severely constrain the time available for staff to manage a complex procurement process for a new vendor to provide a replacement parking management system. Given current vacancies within Public Works’ Transportation Division, there is not sufficient staffing to undertake this effort in less than two years. Additionally, a two-year extension allows the City to lock in current parts and services costs, protecting against future vendor price increases.

Council could decide not to acquire 225 pay stations to replace existing pay stations in the City. However, since the existing pay stations are past their operable lifespan, the City would be obligated to service outdated machines and the cost for service would likely exceed the cost of replacement over the next seven years.

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for Parking Management System, Parking Meter
Maintenance, and Conversion to Pay-by-Plate Pay Stations

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Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 108090-1 AMENDMENT: IPS GROUP, INC. FOR PARKING MANAGEMENT SYSTEM, PARKING METER MAINTENANCE, AND CONVERSION TO PAY-BY-PLATE PAY STATIONS

WHEREAS, on June 23, 2015 by Resolution No.67,093-N.S. the Council authorized Contract No. 108090-1 with IPS Group, Inc. for multi-space and single space parking meters, parts, supplies, and fees for wireless data connections, system licenses, software escrow, and warranties; and

WHEREAS, IPS pay-by-plate pay stations accept coin and credit card payments, and were originally equipped with T-Mobile and Verizon 2G modems allowing them to connect to cellular networks to receive programming and send transaction-related information; and

WHEREAS, the City purchased and installed IPS single-space meters and multi-space pay stations from November 2015 to June 2017, for which the contract provides a data management system, replacement parts, support, fees, and licenses; and

WHEREAS, the current 225 multi-space pay stations have been used for eight years, which is past their operable lifespan of seven years; and

WHEREAS, the multi-space pay station replacement is needed to support all meter functionality, including: all payment/revenue transactions, setting rates and time limits, and alerting staff to malfunctions; and without the upgrades, these activities will not be possible; and

WHEREAS, the contract was last amended on February 22, 2022 following Council authorization via Resolution No. 70,237-N.S., and is set to expire June 30, 2024; and

WHEREAS, Council approval is needed to extend the contract through June 30, 2026, to ensure the existing meter system is upgraded and maintained; and

WHEREAS, the funding of \$3,865,300 for the contract amendment is from the Parking Meter Fund (Fund 631) is subject to appropriation in FY 2025 and FY 2026; and

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to amend Contract No. 108090-1 with IPS Group, Inc. for a total amount not to exceed of \$12,790,172 through June 30, 2026, for pay station replacements, replacement parts, system maintenance, fees, and licenses.

