



Office of the City Manager

CONSENT CALENDAR  
March 19, 2013

To: Honorable Mayor and Members of the City Council  
From:  Christine Daniel, City Manager  
Submitted by: Andrew Clough, Director, Public Works  
Subject: Contract No. 9027 Amendment: IPS Group, Inc. for Parking Meters

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend Contract No. 9027 with IPS Group, Inc. to purchase and install an additional 569 IPS “smart” meters in the Berkeley Transportation Action Plan pilot areas, increasing the amount by \$412,774 for a revised contract total not to exceed \$1,412,774; and authorizing funding for this amendment from the Parking Meter Revenue Fund.

FISCAL IMPACTS OF RECOMMENDATION

Funds will be allocated from the FY 2013 Parking Meter Revenue Fund (840).

Original authorized contract NTE amount .....	\$1,000,000
<u>Contract amendment</u>	<u>\$412,774</u>
Total amended not-to-exceed amount	\$1,412,774

Staff projects an increase in revenue from the installation of IPS meters in high-demand Berkeley Transportation Action Plan (B-TAP) areas of Downtown and Southside\*. Where IPS smart meters have already replaced Duncan meters in the City there has been an average 29% net increase in meter revenue (approximately \$110,000 over 4 months of operation September – December 2012). The 569 meters for B-TAP locations Downtown and Southside are expected to produce higher revenue increases than seen in the lower-demand areas.

The contract amendment has been assigned CMS No. EDT7F.

CURRENT SITUATION AND ITS EFFECTS

A total of 1,000 IPS meters have been installed in Berkeley to date, and an additional 165 meters will be installed before the end of FY 2013. Another 569 meters are planned for installation this year in the B-TAP areas of Downtown and Southside/Telegraph for a total of 1,734 IPS smart meters Citywide by late June 2013.

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\* Other new meters have already been installed in the Elmwood, which is also part of the B-TAP project area.

In September 2011 Council approved the contract with IPS Group, specifying Parking Meter Funds for 1,165 meters, and funding from federal B-TAP grants for 569 Project area meters. However, before the contract was executed, staff learned that federal requirements prohibit a purchase contract that mingles local and federal funds, so the contract was limited to the 1,165 meters purchased with Parking Meter Funds. For the B-TAP meters, the City would need to execute a contract using only Federal funding, by releasing a new Request for Proposals, or receiving a federal authorization for a “sole source” contract, either of which results in delays to IPS meter installation.

This recommendation approves use of only Parking Meter Revenue funds, rather than federal B-TAP grants, in order to accelerate the installation of IPS meters and avoid the Federal procurement-related delays. The grant funds will, in turn, be available for other parking management tasks, including parking data collection and analysis necessary to support demand-responsive parking management, and procure enforcement equipment necessary to carry out a demand-responsive parking pricing program. The amended contract not-to-exceed amount is less than the original Council approved authority, as the City decided to forego the vehicle sensor devices originally specified.

Funds are available in the Parking Meter Revenue Fund (840) for purchase of the 569 meters. This Fund has a projected \$1.49 million fund balance at the end of FY 2013. With approval of the recommendation, and assuming Council adopts the other FY 2014 proposed changes to the Fund, there would be a projected ending balance of \$1 million in the Parking Meter Revenue Fund at close of FY 2014.

#### BACKGROUND

Council approved Resolution No. 65,466-N.S. in September 2011 to execute a contract with IPS Group, Inc. for the purchase and installation of 1,734 parking meters, for a total amount not to exceed \$1,844,805, including vehicle sensors, service fees, and warranties. As already noted, it turned out that federal requirements prohibit a purchase contract that mingles local and federal funds, so the contract was executed for only the 1,165 meters purchased with Parking Meter Funds. The original contract was executed in May 2012.

#### RATIONALE FOR RECOMMENDATION

This contract amendment will accelerate installation of IPS meters throughout the City, particularly in the high-demand commercial areas of Downtown and Southside/Telegraph. This enables the B-TAP parking program to more quickly provide these smart meters with popular credit- and debit-card payment options. Reallocating the funding will also free up federal grant funds to support data collection and analysis, and procure enforcement equipment necessary to carry out a demand-responsive parking pricing program.

#### ALTERNATIVE ACTIONS CONSIDERED

If the City follows the original funding plan to use Federal grants to procure 569 “smart” meters for the B-TAP project areas, we would issue a new RFP, or submit a request to waive competitive bidding to the FHWA. When a parking meter vendor was selected, a new contract with exclusively Federal funding would be submitted to Council for approval

and then executed by staff. Staff would also request allocation of Parking Meter or other local funds in the FY 2013 second Annual Appropriations Ordinance or the FY 2014 Budget to support the under-funded B-TAP parking data collection and analysis costs.

CONTACT PERSON

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Attachment:

1: Resolution

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

CONTRACT NO. 9027 AMENDMENT: IPS GROUP, INC. TO PURCHASE  
ADDITIONAL CREDIT-CARD ENABLED "SMART" PARKING METERS

WHEREAS, Public Works is responsible for acquiring, installing and operating parking meters to maximize customer convenience and revenue while minimizing operating costs; and

WHEREAS, in December 2010 the City Council accepted Federal grant funds (Resolution Nos. 65,118-N.S. & No. 65,119-N.S) to carry out the Berkeley Transportation Action Plan (B-TAP), a pilot parking and transportation demand management program using demand-responsive pricing, monitoring of parking occupancy and turnover, and other policies and programs; and

WHEREAS, in September 2011 the Berkeley City Council authorized the City Manager to execute a contract with IPS Group, Inc. (Resolution No. 65,466-N.S.) to provide credit-card enabled single space "smart" meters, service fees and warranties in an amount not to exceed \$1,844,805 through June 30, 2015, with funding for the contract specified from the Parking Meter Fund, and the FHA Value Pricing Grant Fund and Climate Initiatives Grant Fund; and

WHEREAS, the City learned it cannot use the federal grant funding for the IPS contract due to Federal Regulations, and in May 2012 the City Manager executed the contract with IPS Group for 1,165 IPS credit-card enabled single-space "smart" meters, service fees and warranties for a total amount not-to-exceed \$1,000,000 paid from the Parking Meter Fund 840; and

WHEREAS, the B-TAP project requires installation of "smart" meters to implement pricing and time limit changes, and has also identified a need for additional funding for data collection and analysis to successfully complete the pilot and develop tools for long-term "smart" parking management; and

WHEREAS, funding is available in the Parking Meter Fund (840-4972-431-3038 and 840-4972-431-7141) and this amendment has been assigned CMS No. EDT7F.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to amend Contract No. 9027 with IPS Group, Inc. to purchase and install another 569 IPS "smart" meters in the Berkeley Transportation Action Plan pilot areas, increasing the amount by \$412,774 for a revised contract total not to exceed \$1,412,774.

BE IT FURTHER RESOLVED that funding in the amount of \$412,774 for this contract amendment will be appropriated through the FY 2013 second Annual Appropriations Ordinance from the Parking Meter Revenue Fund.