

"Placerville, a unique historical past forging into a golden future."

City Manager's Report
January 10, 2017 City Council Meeting
Prepared by: Cleve Morris, City Manager
Item #: 12.3



Subject: Adopt a resolution approving the following:

1. Awarding a bid for purchase and installation of 9 multi-space parking pay stations to Cale America in the amount of \$98,387.97 and authorizing the City Manager to execute all documents for the purchase of the pay stations and any necessary related equipment (CIP #41705); and
2. Approving an inter-fund loan from the General Fund unassigned fund balance, to the Parking District Fund in the amount of \$98,387.97 for the said pay stations (CIP #41705).

Background:

In 2007 the City changed its parking program and purchased 9 multi-space parking pay stations. The pay stations were purchased from T2 Systems and have an expected life of 7 – 10 years. Earlier this year we were informed that effective December 31, 2016, T2 would no longer be able to extend the annual maintenance agreement because parts for this model were no longer available. In addition, the software program that supports the pay stations is obsolete and would no longer be available on December 21, 2016. Staff immediately began plans to look at purchasing new machines. However, we also needed to identify a funding source. In 2007 when the original pay stations were purchased, an inter-fund loan was made from the Reserve for Economic Uncertainties to purchase the pay stations with the anticipation that net parking revenue would repay the loan. Due to several factors, including the Great Recession, net parking revenues have not been sufficient to repay the general fund. In fact, for most years the General Fund has had to supplement the parking program as much as \$25,000 per year.

Staff has been meeting with the Ad-Hoc Parking Advisory Committee and most recently Committee Members made a presentation to the Placerville Downtown Association (PDA) on proposed changes to the parking program. The proposal was approved by the PDA. The Ad-Hoc Parking Advisory Committee met on December 7, 2016, to finalize their recommendation to City Council. Attached is a summary of the recommended changes.

The recommendation and the appropriate resolutions and ordinances will be brought to the City Council at your next meeting. Staff is confident the changes will provide the necessary funding for the new parking pay stations if that is Council's direction.

Discussion: On October 4, 2016 staff released a Request for Proposals (RFP) to prospective vendors. The due date for the proposals was November 15, 2016. We received 5 qualified proposals. Staff and two Committee Members interviewed the vendors on December 6, 2016. Following the interviews staff solicited further information from the vendors to assist in the process. Based on the supplemental information, the following proposals were received:

<u>Vendor</u>	<u>Proposal</u>
T2 Systems	\$114,419.36
Parkeon	\$114,525.00
VenTek	\$104,673.00
Hectronic	Withdrew Bid
Cale	\$98,387.97

On December 6, 2016, staff and Members of the Ad-Hoc Parking Advisory Committee received a presentation from each of the vendors and asked questions regarding their proposals. Each of the vendors submitted detailed proposals and gave good explanations of their pay stations. Staff specifically asked for demonstrations on how the pay stations would address the 2 hour free parking under different scenarios. We also asked for a demonstration on their enforcement technology. The current program is not as efficient as it should be as the handheld device does not communicate with the pay station. Therefore, the enforcement officer has to return to one of the pay stations in order to print out a status of paid parking. Each of the new proposals include enforcement technology that will communicate with the pay station.

Based on the presentations and interviews and a review of the costs of the equipment and on-going operation, the committee recommended Cale America as the preferred vendor. Staff has done reference checks on Cale America and received positive responses from the agencies that were contacted.

Options:

1. Proceed with purchase of parking pay stations as recommended by staff.
2. Delay purchase of pay stations until new parking program can be implemented.
3. Reject bids and look at other options or programs.
4. Request staff bring back further information regarding pay stations.
5. Direct Staff to solicit proposals for a capital lease to finance the purchase of the pay stations.

Cost: The total cost of the proposal is \$98,387.97. There will be additional agreements for citation processing which will be brought back to Council at a later date.

Budget Impact: The City Council adopted the Fiscal Year 2016/2017 Capital Improvement Program Budget which identified the replacement of the nine parking pay stations (CIP #41705).

However, a funding source had not been identified at that time. Staff is recommending the pay stations be financed through an inter-fund loan from the General fund unassigned fund balance with payments to be amortized over 10 years beginning in Fiscal Year 2017/2018, when the new pay stations and parking program will be fully implemented. The General Fund experienced a \$208,174 surplus during Fiscal Year 2015/2016, and staff is recommending \$98,387.97 of the surplus be used for the inter-fund loan to the Parking District Fund. The cost of the pay stations is included in the proposed costs for the new parking program shown in the attachment.

Recommendation: Adopt a resolution approving the following:

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M. Cleve Morris, City Manager



Dave Warren, Finance Director

Attachments:

1. *Resolution*
2. *Parking Program Changes*
3. *Cale Proposal*