



# City Council Report

City Council Meeting: April 22, 2014

Agenda Item: 3-F

To: Mayor and City Council  
From: David Martin, Director of Planning and Community Development  
Subject: Purchase and Install Additional Parking Meters

## Recommended Action

Staff recommends that the City Council authorize the City Manager to negotiate and execute a second modification to Contract #9496 (CCS) in the amount of \$323,000 with IPS Group Inc., a California-based company, for the purchase and installation of 350 additional parking meters with ground sensors in various locations throughout the City, and in the amount of \$93,800 for the ongoing operating and maintenance costs. This will result in a five-year amended contract with a new total amount not to exceed \$10,296,950, with future year funding contingent on Council approval and budget adoption.

## Executive Summary

The purchase and installation of additional parking meters is one of the approved Capital Improvement Projects for Fiscal Year 2013-14. Staff recommends using an approved sole source agreement with the current City parking meter supplier IPS Group, Inc. to deliver and install an additional 350 new parking meters that accept credit cards, as well as coins, in various locations throughout the City. The purchase and installation of the new parking meters is estimated at \$323,000 with ongoing operating costs estimated at \$93,800 annually. Installation of the new meters would also increase credit card processing costs by approximately \$44,000. No increase is currently required in the City contracts for credit card processing.

## Background

There are currently 5,816 parking meters deployed throughout the City. On October 25, 2011, Council awarded a contract in the amount of \$4,500,000 to IPS Group, Inc. for the purchase and installation of new parking meters, and \$612,000 for annual operating and maintenance costs. The project replaced all coin-only single space parking meters with

new IPS Group parking meters that offer multiple payment options, in order to enhance the overall parking experience and accommodate the implementation of the City's updated parking rate strategy. The new parking meters are able to accept credit card payments in addition to coins. The ground sensors also provide real-time parking data and multiple parking features that enhance the capability of managing the City's parking resources. The new parking meters and ground sensors were supplied and installed by IPS Group, Inc. In January 2011, the City initiated a trial program to test new single-space on-street parking meters with electronic payment options. IPS Group, Inc. was the only company that could deliver a functional single-space product. The 5,816 parking meters and ground sensors currently operating in the City were installed in 2012 with a seven- to ten-year expected life-span. Installing additional parking meters provided by IPS would allow for the operation of all parking meters under one integrated system.

On March 19, 2013, Council approved a First Modification to the IPS Agreement in the amount of \$588,000 annually for increased communication cost, related to increased use of credit cards, and for a battery replenishment contract that reduced the City's future liability for battery replacement. The annual operating and maintenance contract with IPS is currently \$1,200,000.

### **Discussion**

The City of Santa Monica's on-street parking program accommodates over 12,000,000 cars annually. It is necessary to effectively manage limited parking resources. The additional 350 parking meters would be deployed in various locations as determined by the City Traffic Engineer. The additional parking meters are expected to generate approximately \$700,000 additional parking revenue annually starting FY 2014-15. Some of the recommended locations and time limits are listed below. These locations currently have no parking meters or time limit regulations, aside from normal street sweeping regulations. The recommended locations are adjacent to areas of high parking demand where parking meters and/or preferential parking restrictions are in place to ensure adequate on-street parking is available during periods of high demand.

Since the recommended areas currently do not have meters or time limit regulations, these areas are 100% occupied at nearly all hours of the day by vehicles that park for extended periods. Staff recommends installing meters to ensure that adequate parking is available to meet demands during all times of day, and to ensure that parking turns over frequently. Long-term parking is better served in off-street facilities, which reflects adopted City policy.

<b>Location</b>	<b>Rates/time limits/hours</b>
11 <sup>th</sup> St. - West side between Santa Monica Blvd. and Arizona Ave.	\$1/hour, 2 hour max 9am-6pm Mon-Sat
10 <sup>th</sup> St. East side between Santa Monica Blvd. and Arizona Ave.	\$1/hour, 2 hour max 9am-6pm Mon-Sat
Arizona Ave. South side between 10 <sup>th</sup> and 11 <sup>th</sup> Streets	\$1/hour, 2 hour max 9am-6pm Mon-Sat
Ocean Park Blvd. North side between 16 <sup>th</sup> and 17 <sup>th</sup> Streets	\$1/hour, 1 hour max 9am-6pm Mon-Sat
Ocean Park Blvd. South side between 16 <sup>th</sup> and 17 <sup>th</sup> Streets	\$1/hour, 1 hour max 9am-6pm Mon-Sat
Michigan Ave. North side 15 <sup>th</sup> to 14 <sup>th</sup> Streets	\$1/hour, 9 hour max 9am-6pm Mon-Sat
Michigan Ave. South side 15 <sup>th</sup> to 14 <sup>th</sup> Streets	\$1/hour, 9 hour max 9am-6pm Mon-Sat
14 <sup>th</sup> St. West side Olympic Blvd. to Michigan Ave.	\$1/hour 2 hour max 9am-6pm Mon-Sat
14 <sup>th</sup> St. West side Michigan Ave. to Pico Blvd.	\$1/hour, 2 hour max 9am-6pm Mon-Sat
14 <sup>th</sup> St. East side Olympic Blvd. to Michigan Ave.	\$1/hour, 2 hour max 9am-6pm Mon-Sat
14 <sup>th</sup> St. East side Michigan Ave. to Pico Blvd.	\$1/hour, 2 hour max 9am-6pm Mon-Sat

In addition to increasing parking turnover, relocating long-term parkers, and making it easier for residents and visitors to find on-street parking, the meters are able to be

adjusted to accommodate rate changes, thereby facilitating the rate management strategies endorsed by Council with the Walker Parking Study.

Should Council approve staff's recommendations, residents and business-owners in the areas identified for new parking meters will be notified by mail prior to installation. The notification will provide an email and telephone number for comments, and staff will monitor comments to ensure that the new parking meters do not result in unforeseen issues. In the past, comments prior to new parking meter installation have allowed staff to identify specific locations where meter time limits need to be adjusted in order to accommodate adjacent business or resident needs, or identify locations where additional on-street handicap parking stalls are required. Staff anticipates installing the new meters before July 1, 2014.

The meters and the ground sensors use wireless communication to allow for remote management. Through this system, meters report their status and activity and provide parking occupancy data. The sensors also prevent feeding of the meter beyond the posted time limit, reset upon vacancy to require customers to pay for all the parking they utilize, and send text alerts to instantly report jams to parking meter technicians in the field. This would enhance the City's parking demand management capability.

Approximately 40% of parking meter payments are currently paid by credit card. Therefore, installation of the new meters is expected to increase annual credit card processing costs by approximately \$44,000 per year. The City's current agreements for credit card processing with Transfirst and American Express have sufficient contract authority to cover these costs.

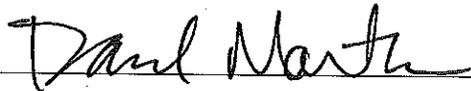
**Financial Impacts & Budget Actions**

The contract modification to be awarded to IPS Group, Inc. is \$323,000 for the one-time purchase and installation of an additional 350 parking meters with ground sensors, and \$93,800 for the ongoing operating and maintenance costs, for an amended contract total not to exceed \$10,296,950. Funds in the amount of \$323,000 for the purchase and installation of the additional 350 parking meters with ground sensors are available in the FY 2013-14 Capital Improvement Program budget at account C010874.589001. Funds in the amount of \$93,800 for the additional ongoing operating and maintenance costs are available in the FY 2014-15 approved budget at account 01225.555010. Funds in the amount of \$44,000 for increased credit card processing costs are available in the FY 2014-15 approved budget at account 01221.522230. Future year funding is contingent on Council approval and budget adoption.

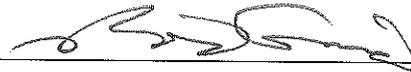
**Prepared by:** Frank Ching, Parking Administrator

**Approved:**

**Forwarded to Council:**



David Martin, Director  
Planning & Community Development



Rod Gould  
City Manager