



Office of the City Manager

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CONSENT CALENDAR  
February 22, 2022

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Liam Garland, Director, Public Works

Subject: Contract No. 108090-1 Amendment: IPS Group, Inc. for Parking Meter Operations

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend Contract No. 108090-1 with IPS Group, Inc. to provide parking meters, replacement parts, and support services, increasing the contract amount by an additional \$1,891,415 for a total contract amount not to exceed \$8,924,872 through June 30, 2024.

FISCAL IMPACTS OF RECOMMENDATION

The total cost of the amendment is \$1,891,415 which includes parking meters and multi-space (pay and display) pay stations, replacement parts, supplies, wireless data connection fees, system licenses, and repair services to maintain the City's parking meter system for two years. Funding is available in the Parking Meter Fund (Fund 631) in the amount of \$195,000 for FY 2022 with an additional \$320,000 to be appropriated as part of the Second Annual Appropriations Ordinance with the remaining amount of this contract amendment to be appropriated as part of the FY 2023/2024 budget process.

CURRENT SITUATION AND ITS EFFECTS

The City uses approximately 2,200 single-space parking meters and 230 multi-space pay stations supplied by IPS Group, Inc. to manage public on-street parking in commercial districts throughout the City. IPS "smart" meters accept coin and credit card payments, and are equipped with T-Mobile and Verizon modems allowing them to connect to cellular networks to receive programming and send transaction-related information. Staff retrieve transaction data and program meters via a web-based software operating system that is maintained by the vendor.

Since 2019, staff has been replacing the single space meters' original 2G modems with upgraded 4G modems. 2G connections are very slow and outmoded and these networks are currently being phased out by mobile carriers. Verizon's 2G network was shut off at the end of calendar year 2020, and T-Mobile's 2G network will be shut off by at the end of calendar year 2022. Due to funding gaps and vendor part unavailability resulting from the ongoing pandemic, the City has not yet completed upgrading the

modems for single space parking meters. Approximately one-third of single space meters still need to be upgraded, as do all 240 pay and display pay stations. The 4G upgrades are needed to support all meter functionality, including: all payment/revenue transactions, setting rates and time limits, and alerting staff to malfunctions. Without the upgrades, these activities will not be possible.

Amending the existing contract to extend the term by two years will result in completing the parking meter upgrades and maintaining operations

### BACKGROUND

The City has used IPS “smart” coin and credit card meters since December 2010, when they were introduced via the grant-funded Berkeley Transportation Action Plan (B-TAP) to facilitate demand-responsive pricing and time limit adjustments.<sup>1</sup> The B-TAP pilot project was later renamed the goBerkeley parking management program, and became a permanent baseline program in 2015.

The City expanded the use of IPS single-space meters in 2011, and by the end of 2014, IPS meters were installed citywide. As part of the existing contract, IPS multi-space pay stations were installed in 2015. Since its initial use in Berkeley, the equipment has been 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, which are already in need of replacement.

In November 2015, the City entered into a contract with IPS Group, Inc. via Resolution No. 67,093-N.S.<sup>2</sup> The contract was last extended via an amendment authorized by Resolution No. 69,419-N.S. in May 2020 to provide funding for critical infrastructure upgrades for cellular network connectivity and to extend the contract to June 30, 2022.<sup>3</sup> At the time, staff expected that a two-year extension would be sufficient to complete the upgrade work and issue a new Request for Proposals. However, this work has not yet been completed due to gaps in funding and vendor resource constraints resulting from the ongoing pandemic.

### 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, thereby maximizing power efficiency.

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<sup>1</sup> Resolutions 65,118-N.S. and 65,119-N.S.

<sup>2</sup> June 23, 2015 City Council Agenda: <https://bit.ly/394IzH9>

<sup>3</sup> May 26, 2020 City Council Resolution: <https://bit.ly/3wDNXgW>

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. Furthermore, upgrading the single space meter modems to 4G is a critical task that must be completed before T-Mobile shuts down their 2G network at the end of 2022.

ALTERNATIVE ACTIONS CONSIDERED

Council could extend the term of the contract for only one year. While this would allow for the modem upgrades to be completed to the aging meter equipment, it would severely constrain the time available for staff to manage a complex procurement process for a replacement meter system. Additionally, a two-year extension allows the City to memorialize current parts and services costs, protecting against future vendor price increases.

CONTACT PERSON

Farid Javandel, Deputy Director, Public Works, 981-7061

Danette Perry, Parking Services Manager, Public Works, 981-7057

Attachment:

1: Resolution

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

CONTRACT NO. 10145A AMENDMENT: IPS PARKING METERS, PAY STATIONS,  
MANAGEMENT SYSTEM, AND ASSOCIATED SUPPORT SERVICES

WHEREAS, on June 23, 2015 by Resolution No. 67,093-N.S. the City Council authorized Contract No. 10145 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 meters 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 City is actively upgrading single space meters to 4G modems as T-Mobile and Verizon are phasing out their 2G networks, and as of December 2021 one-third of single space meters and all pay stations still need to be upgraded; and

WHEREAS, the 4G upgrades are 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 City assumes a ten-year operable lifespan for single-space meters, and seven years for pay stations, which already need replacement; and

WHEREAS, the contract was last amended on July 17, 2020 following Council authorization via Resolution No. 69,419-N.S., and is set to expire June 30, 2022; and

WHEREAS, Council approval is needed to extend the contract through June 30, 2024, to ensure the existing meter system is upgraded and maintained, by which time a new RFP process for a replacement parking meter system is expected to be completed; and

WHEREAS, the funding of \$1,891,415 for the contract amendment is from the Parking Meter Fund (Fund 631), and funding is subject to appropriation in the FY 2023 budget and in the FY 2024 budget; and

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that City Manager is authorized to enter a contract and any amendments with IPS Group, Inc. for a total amount not to exceed \$8,924,872 through June 30, 2024 for single-space parking

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meters and pay stations, upgrades, replacement parts, system maintenance, fees, and licenses.

