



Request for City Council Committee Action from the Department of Public Works

Date: September 23, 2014

To: Honorable Kevin Reich, Chair Transportation and Public Works Committee

Subject: **On-Street Parking Mobile Parking Payment System**

Recommendation:

Authorize City officials to negotiate with Parkmobile USA, Inc.

Previous Directives:

January 28th 2014: Transportation & Public Works Committee -- Authorized issuance of a Request for Proposals (RFP) to solicit proposals from qualified vendors for an on-street parking mobile phone payment system.

Department Information

Prepared by: Ronnie Toledo, Parking Systems Analyst, 612-673-2151

Approved by: _____
Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters in Committee: Ronnie Toledo, Parking Systems Analyst, 612-673-2151

Reviews

- Permanent Review Committee (PRC): Approval – Yes; Date – 11/13/2013

Financial Impact *(delete all lines not applicable to your request)*

- No financial impact

Community Impact

- Neighborhood Notification: N/A
- City Goals: Great Places: Natural and built spaces work together and our environment is protected
- Comprehensive Plan: N/A
- Zoning Code: N/A

Supporting Information

In 2012, the City of Minneapolis completed its system-wide deployment of new on-street parking meters. The present on-street parking meter system includes approximately 7,500 spaces with the following technologies:

- Multi-Space with Credit Card Acceptance (Cale)
- Single Space with Credit Card Acceptance (IPS)
- Single Space Traditional (POM)

Subsequently, Public Works has continued to improve our operations, facilities and customer service that leverage technology to further modernize the parking system to accept multiple forms of payments, allow for easier enforcement, and enhance reporting capabilities for revenue, system use and maintenance. One such effort is the On-Street Parking Mobile Phone Payment System that will enhance the customer's parking experience.

RFP for On-Street Parking Mobile Phone Payment System

In February, 2014 Public Works Department released the RFP to solicit proposals from qualified companies to implement a Mobile Phone Payment System. The intent of this RFP is to expand parking payment options in a manner that supports the City's overall parking goals.

To use the Mobile Phone Payment System, the motorists park their vehicles, call a phone number located on the parking meter space or pay-station, enter their space or license plate number and then ends the call. Most smartphone providers have an application that does not require a phone call. The system requires an initial one-time account setup that links to a credit card is required.

This technology has the potential for making on-street parking payment easier for the customer, and may provide additional benefits to the City, including:

- Customer can pay for parking in their car during unpleasant weather conditions
- Customer can receive a text message notification that their space is about to expire
- Customer can add time from any location to up the parking limit
- May reduce credit card fees for the City. This service is an added benefit for the customer and customer absorbs the user fees
- Minimal to no cost to the City for implementation and on-going support
- May reduce future capital cost of parking equipment. Because more people own smartphones and may use this service the need for physical pay-stations in the future may be reduced

Over the past several years various companies have expressed interest in implementing this service for the City of Minneapolis' parking meter system. Many municipalities across North America including Houston, Seattle, Vancouver and Washington D.C. already use a Mobile Phone Payment System service for their parking meter systems.

RFP Submittals

Seven (7) separate proposals were received and evaluated by the RFP evaluation team which included Traffic Control, Information Technology, Finance and Public Works. This team also participated in creating the RFP. Proposals were received from:

CALE	IOA	MobileNow	Pango
Parkmobile	Passport	Software for Good	

After the initial review of the submittals, six (6) companies were selected to make presentations and interviews with the evaluation team. The evaluation team narrowed the submittals to three finalists: CALE, Pango, and Parkmobile. These three companies were then invited to clarify aspects of their submittals via phone/smartboard meetings and other communications.

The evaluation team individually reviewed and scored the three finalists based on the following evaluation criteria:

Quality of Proposal 5%	Customer Service 5%
Qualification & Experience of Staff 5%	Reporting 10%
Rate Programming 15%	Contract Compliance 5%
Enforcement Integration 20%	Company Financials (Pass/Fail)
PCI Compliance (Pass/Fail)	Experience/References 10%
Cost of services to City and/or members 20%	Organization/Management approach & involvement 5%

Parkmobile received the highest overall weighted average score. Public Works recommends selecting Parkmobile and seeks authorization to negotiate with them.

Next Steps and Schedule

Staff will negotiate the terms of a contract with Parkmobile. Once the terms have been finalized Public Works will return and seek authorization to enter into a contract.

To ensure that the functionality and accuracy of this service meets City's standards, this program will be implemented in three phases.

- First Phase (minimum 4 months): Conduct a field test in a limited geographical area to develop rate programming, test enforcement integration, gather customer feedback, and provide accurate reporting.
- Second Phase: Expand the test area to include additional locations.
- Third Phase: City-wide deployment upon successful demonstration of the components in the first two phases.

The anticipated timeline for the next steps is as follows:

Negotiate contract	Fall 2014
Council approval to enter into contract	Fall 2014
Execute contract	Fall 2014
Phase One deployment	Late 2014
Phase Two/City Wide deployment	2015