



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

Date: April 28, 2009

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Referral: Honorable Paul Ostrow, Chair Ways & Means Committee

Subject: **Approval of Official Publication No. 6522- Bids for Parking Ramp Revenue Control Equipment Replacement-Contract Amendment #4**

Recommendation:

- a. Authorize increase to Contract C-22715 with Don Harstad Company in the amount of \$780,000 for a new estimated expenditure of \$4,045,862 for Parking Ramp Revenue Control Equipment necessary to allow credit card payment option and automation of ramp revenue control activities at the Plaza municipal parking facility. All terms and conditions and unit pricing will follow the price agreement of the original proposal.
- b. Project funding will be provided through Ramp Capital RMP01 with bonds repaid by Convention Center sales tax proceeds.
- c. Authorize an increase in the ramp capital appropriation in 07500-9010946-507007 – (project CRMPAUTOPLAZA)-TC775.

Previous Directives:

- August 22, 2008- Council approved Amendment #3 to contract C-22715 with Don Harstad Co. by \$800,000 to a new total of \$3,265,862 for installation of new revenue control equipment at the Hawthorne Transportation Center ramp per the price agreement of the original contract.
- September 21, 2007- Council approved Amendment #2 to contract C-22715 with Don Harstad Co. by \$800,000 to a new total of \$2,465,862 for installation of new revenue control equipment at the Haaf & Lasalle ramps per the price agreement of the original contract.
- October 20, 2006- Council approved Amendment #1 to contract C-22715 with Don Harstad Co. by \$725,000 to a new total of \$1,665,862 for installation of new revenue control equipment at the Hilton and 10th& Hennepin ramps per the price agreement of the original contract.
- December 2, 2005- City awarded contract C-22715 to responsive low bid of Don Harstad Co. for installation of new revenue control equipment for State Ramp C in the amount of \$940,862 with a five year price agreement on all equipment items for future orders.

Prepared by: Bill Prince, Professional Engineer Traffic & Parking Services 673-3901

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

Presenters: Bill Prince, Professional Engineer, Traffic & Parking Services
Jon Wertjes, Director, Traffic & Parking Services

Reviews

Permanent Review Committee (PRC)	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department’s Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Not Applicable
 City Goals: Improve customer service and reduce costs per Parking Fund Workout Plan
 Comprehensive Plan: Not Applicable
 Zoning Code: Not Applicable

Background/Supporting Information

The Department of Public Works Traffic and Parking Services Division has been working to automate many of the functions of parking ramp revenue collection and management as well as increase convenience to the paying customers by introducing credit card payment option. Over the past several years all newly constructed ramps have included automated pay and gate systems with credit card payment option. Implementation of these systems is a key component of the Parking Services Business Plan and the Parking Fund Workout Plan by improving customer service, increasing transactional efficiency and accuracy and reducing ramp operational costs.

The original contract C-22715 dealt with the first retrofit of the new equipment configuration, which took place at State Ramp C. As part of that original contract, an agreement was reached with the winning bidder Don Harstad Co. which locked in equipment unit prices for all items and installation costs at pre-agreed levels over a five year span. Public Works has also utilized this contract to over the past five years automate the following ramps:

- Hennepin @ 10th
- Hilton
- Haaf
- 10th & Lasalle
- Hawthorne

We are recommending that the City Council approve Amendment No. 4 to the original contract in the amount of \$780,000 to enable installation of the new revenue control equipment standard at the Plaza Municipal Parking Ramp.

We expect the financial results for this ramp to improve by \$300,000 per year as a result of reduced staffing costs as well as increased customer traffic resulting from adding credit card payment option. This results in an estimated project payback of 2.6 years. Any staffing reduction would be handled over time through routine voluntary attrition. City forces have assisted on the previous projects with loop cutting and installation, concrete modifications and steel installation for bollards and guards and will be called on for similar assistance with these projects if needed.

Once the Plaza ramp upgrade is complete, the following ramps would still require automation upgrades:

- State Ramps A & B- anticipated completion fall 2009 (to be bid through owner Mn/DOT)
- Leamington- anticipated completion 2010
- 11th&Marquette-anticipated completion 2010.
- Government Center- anticipated completion mid 2011
- Federal Courthouse- on hold pending ownership discussions.