



AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: David McPherson

SUBJECT: Contract Award and Spending
Authority to Parkmobile USA, Inc.
"Parkmobile"

DATE: July 15, 2015

City Administrator
Approval

Date

8/31/15

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council adopt:

Resolution Authorizing the City Administrator to (1) Award a Professional Services Agreement to Parkmobile USA, Inc. ("Parkmobile") in an Amount Not to Exceed Seven Hundred Fifty Thousand Dollars (\$750,000) for Three (3) Years (\$250,000 per year) with Two (2) One-Year Renewal Options, to Provide Pay-by-Mobile Phone Services to Motorists for Parking at Parking Metered Spaces in the City; and (2) Authorizing Collection and Appropriation of Transaction Fees Charged to the Motorists in Addition to the Motorist's Parking Meter Fee in an Annual Amount Not to Exceed Two Hundred Fifty Thousand Dollars (\$250,000) for Reimbursement to Parkmobile Under an Agreed Upon Professional Services Agreement.

OUTCOME

Adoption of this resolution will authorize the City Administrator to execute a three year Professional Services Agreement with two one-year options to renew with Parkmobile, to provide the City with Pay-by-Mobile Phone services. Futhermore, this will create convenience to motorists by allowing them to use mobile cellular phones (and other wireless devices with phone functions capability) to pay or extend parking meter time at on-street parking meters; including both single-space and multi-space meters. The per transaction fee for this service will be 0.30 cents.

Item: 6
Finance & Management Committee
September 15, 2015

BACKGROUND/LEGISLATIVE HISTORY

On July 5, 2011, the City Council approved resolution number 83463, C.M.S and authorized a contract between the City of Oakland and Parkmobile to provide a pay-by-phone pilot program, allowing motorists to use cell phones (and other wireless devices with phone functions) to pay for their on-street parking meters. During the pilot program, the transaction fee charged by Parkmobile to the motorist was 0.35 cents per transaction. This pilot program has proven to be popular with the City's parking meter patrons, and staff recommends continuing offering this payment option.

ANALYSIS

On October 24, 2014, the Revenue Management Bureau (RMB), in collaboration with the Contract and Compliance Division of the City Administrator's Office, initiated a formal Request for Proposal (RFP), to solicit proposals from qualified firms to provide a comprehensive parking payment by mobile-phone option for the City of Oakland's on-street parking meters.

Following the City's notification protocol, the RFP was advertised in the Oakland Tribune, San Francisco Chronicle, Parking Today Magazine, Parking International Institute, California Public Parking Association papers, their websites and as well as the City of Oakland's website. A pre-proposal meeting was held on October 30, 2014, and the RFP submission deadline was established as November 17, 2014. Four (4) proposals were submitted to the City by the submission deadline. All four (4) proposals were reviewed by the Contract and Compliance staff and were found to be qualified and meet the requirements outlined in the RFP and cover letter.

In order to select the best qualified firm, RMB conducted a review and analysis of all four proposals. The initial phase of the evaluation consisted of reviewing the responses to the RFP put forth by each proposer. Proposers who passed the initial evaluation were asked to present their firm's proposal to an evaluation interview panel, which consisted of staff from Parking Meter Collection, Parking Enforcement, Parking Citation Assistance Center and RMB administration. All four proposers were evaluated based on the criteria below and rated using the criteria defined in the RFP:

- Relevant Experience/Qualification
- Technology/Organization
- System Interface with Parking Collection's Systems and Ticket Writing Systems
- Customer Service
- Reference Check
- Pricing

After a review of each proposer's proposal, evaluation ranking, and reference checks, Parkmobile was found to be the most qualified proposer and was selected to provide pay-by-mobile phone services for the City of Oakland.

Based on the specification of the RFP and the proposed Agreement, Parkmobile will provide the following services at no cost to the City:

- All technical, operational, integration, implementation, and functional responsibility.
- Fully functional mobile payment phone system that accommodates both single-space and multi-space meters.
- Responsibility for all expenses related to the implementation and installation of the system including but not limited to signage, decals, etc.
- Training to City staff relating to their system.
- Full mobile payment phone system integration with the City's current Parking Citation Processing/Collection system.
- A mobile payment phone system that allows customers to initiate a parking transaction by voice, text, or mobile application.
- A toll free number and email service/Help Center, available 24 hours per day and seven days per week, which will provide assistance to Mobile App users with registration via internet or phone, and other inquires about Parkmobile's application.

The above services are provided at no cost to the City. Parkmobile provides the convenience of mobile parking payment services to the Oakland's parking meter motorists.

Currently, the transaction fee charged to the motorist by Parkmobile is 0.35 cents per transaction, and under the proposed Agreement, the transaction fee was reduced to 0.30 cents per transaction. Parkmobile is proposing to recover its costs by charging the motorist a fixed transaction fee of \$0.30 cents for every transaction conducted at a parking meter, which is in addition to the \$2.00 per hour parking meter fee charged to the motorist for parking at a metered space. Under the current agreement and in accordance with generally accepted accounting principles (GAAP), all parking meter revenues generated through the Parkmobile's system including the \$0.30 cents transaction fees are deposited into the City's bank account on a daily basis, and the transaction fee is then expensed to Parkmobile.

PUBLIC OUTREACH/INTEREST

The RFP was advertised in the Oakland Tribune, San Francisco Chronicle, Parking Today Magazine, Parking International Institute, California Public Parking Association papers and their websites. In addition, it was made available on the Contract Compliance Webpage and the City's iSupplier in order to encourage participation by the local entities.

COORDINATION

This report was prepared by the Revenue Management Bureau in coordination with the City Attorney's Office, Controller's Bureau, and the Contract and Compliance Division of the City Administrator's Office.

COST SUMMARY/IMPLICATIONS

Parking Meter revenues and the transaction fees collected by Parkmobile are dependent upon the number of mobile parking transactions and therefore, the transaction fees collected by Parkmobile can vary from year-to-year. To maintain adherence to GAAP, the agreement requires Parkmobile to remit all collected revenues, including Parkmobile's transaction fee, to the City and to invoice the City for reimbursement of the transaction fee. Therefore, the revenues collected from parking meters through Parkmobile's system on behalf of the City and the total amount collected from Parkmobile transaction fees will be deposited into the designated City's bank account on a daily basis.

The revenues collected will be deposited into the City's General Purpose Fund (1010), Treasury Organization (08721), Parking Meter Collection Account (45311) and Program No. (IP60). Upon receipt of invoice and supporting documentation to show the number of transactions, revenue collected from parking meters and the transaction fees collected, the City will reimburse the transaction fees to Parkmobile in an amount not to exceed \$250,000 per year. To ensure adherence with GAAP, staff is requesting to establish annual spending authority in an amount not to exceed \$250,000 in the City's General Purpose Fund (1010), Parking Meter Collection Organization (08931), Miscellaneous Contracts Account (54919.00000000.IP60).

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic impacts associated with this report.

Environmental: This program will provide ease and accessibility by enabling the motorists to use their cellular devices to extend time on their parking meters from the convenience of their locations without moving their vehicles or making unnecessary trips to feed the meter personally.

Social Equity: There is no social equity issues associated with this report.

For questions regarding this report, please contact David McPherson, Revenue & Tax Administrator, at (510) 238-6650.

Respectfully submitted,



David McPherson
Revenue & Tax Administrator
Revenue Management Bureau

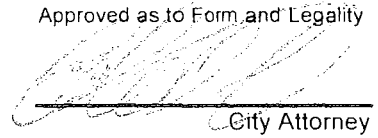
Reviewed by:
Margaret O'Brien - Principle Revenue Analyst
Revenue Management Bureau

Prepared by:
Shahla Azimi - Revenue Analyst
Revenue Management Bureau

FILED
OFFICE OF THE CITY CLERK
OFFICE OF OAKLAND

Approved as to Form and Legality

OAKLAND CITY COUNCIL


City Attorney

2015 SEP -2 AM 9:45

RESOLUTION NO. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO (1) AWARD A PROFESSIONAL SERVICES AGREEMENT TO PARKMOBILE USA, INC. ("PARKMOBILE") IN AN AMOUNT NOT TO EXCEED SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) FOR THREE (3) YEARS (\$250,000 PER YEAR) WITH TWO (2) ONE-YEAR RENEWAL OPTIONS, TO PROVIDE PAY-BY-MOBILE PHONE SERVICES TO MOTORISTS FOR PARKING AT PARKING METERED SPACES IN THE CITY; AND (2) AUTHORIZING COLLECTION AND APPROPRIATION OF TRANSACTION FEES CHARGED TO THE MOTORISTS IN ADDITION TO THE MOTORIST'S PARKING METER FEE IN AN ANNUAL AMOUNT NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) FOR REIMBURSEMENT TO PARKMOBILE UNDER AN AGREED UPON PROFESSIONAL SERVICES AGREEMENT.

WHEREAS, on July 5, 2011, the City Council approved resolution number 83463, C.M.S and authorized a Contract between the City of Oakland and Parkmobile to provide a Pay-by- Phone pilot program, allowing motorists to use their cell phones (and other wireless devices with phone functions) to pay for their on-street parking meters; and

WHEREAS, since July 2011, Parkmobile has provided convenience to Oakland motorists and have enabled them to use their mobile phones by simply downloading an application on their mobile smart phones to pre-register; and

WHEREAS, it has allowed motorists to access the mobile app or by calling a toll free number to pay or extend time for a parking meter; and

WHEREAS, in accordance with Oakland Municipal Code, Section 2.04.051, Competitive Process and Qualification-Based Awards for Professional Services, and the City's purchasing policies and procedures, staff initiated a formal Request for Proposals (RFP) to ensure continued fair and equitable contracting of this program; and

WHEREAS, on October 24, 2014, the Revenue Management Bureau (RMB) through collaboration with the Contract and Compliance Division initiated a formal Request for Proposal (RFP), soliciting proposals from qualified firms to provide comprehensive parking payment by mobile-phone option for the on-street parking meters located in the City of Oakland; and

WHEREAS, the RFP was advertised in the Oakland Tribune, San Francisco Chronicle, Parking Today Magazine, Parking International Institute, California Public Parking Association papers, their websites and as well as the City of Oakland's website, submission deadline was November 17, 2014; and

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FINANCE & MANAGEMENT COMMITTEE

WHEREAS, a total of four (4) proposals were submitted to the City by the submission deadline and all four (4) proposals were reviewed by the Contract Compliance staff and were found to be qualified and meet the requirements outlined in the RFP and cover letter; and

WHEREAS, in order to select the best qualified firm to provide mobile parking meter payment for the City, the RMB conducted review and analysis of all four (4) proposals; and

WHEREAS, the initial phase of the evaluation consisted of reviewing the Response to the Request for Proposal by each potential proposer, and the second phase of the selection process consisted of an interview by a panel from Parking Meter Collection, Parking Enforcement, Parking Citation Assistance Center and RMB administration; and

WHEREAS, all four (4) proposers were interviewed and rated using the criteria defined in the RFP; and

WHEREAS, the interview was based on the following categories: relevant experience/qualification, technology/organization, system interface with Parking Collection's System and Ticket Writing Systems, customer service, reference check and pricing; and

WHEREAS, after reviewing the proposals, interviews, reference checks and pricing submitted by each proposer, Parkmobile was found to be the most qualified proposer and was selected to provide Pay-by-Mobile phone services for the City; and

WHEREAS, Parkmobile will provide the following services at no cost to the City: (i) all technical, operational, integration, implementation, and functional responsibility, (ii) a fully functional mobile payment phone system to accommodate both single-space and multi-space meters, (iii), responsibility for all expenses related to the implementation and installation of the system including but not limited to signage, decals, etc., along with training City staff, (iv) a toll free phone number and email service/Help Center is available 24 hours per day and seven days per week to provide assistance to mobile app users with registration via internet or phone and any other inquires about Parkmobile's application ; and

WHEREAS, Parkmobile is recovering its costs by charging the motorist a fixed transaction fee of \$0.30 cents for every transaction conducted at a parking meter, which is in addition to the \$2.00 per hour parking meter fee charged to the motorist for parking at a metered space; and

WHEREAS, Under the current agreement, all parking meter revenues generated through the Parkmobile's system including the \$0.30 cents transaction fees are deposited into the City's bank account on a daily basis, and this process will also continue under the new agreement; and

WHEREAS, Parking Meter revenues and the transaction fees collected by Parkmobile are dependent upon the number of mobile parking transactions; therefore, the transaction fees collected by Parkmobile can vary from year-to-year; and

WHEREAS, the revenues collected from parking meters through Parkmobile's system on behalf of the City and the total amount collected from Parkmobile transaction fees will be deposited into the designated City's bank account on a daily basis; and

WHEREAS, to maintain adherence to Generally Accepted Accounting Practices (GAAP), the agreement requires Parkmobile to remit all collected revenues, including Parkmobile's transaction fee, to the City and then invoice the City for reimbursement of the transaction fee; and

WHEREAS, funds collected for Parkmobile's transaction fee will be received as revenue in the General Purpose Fund, and appropriated to an offsetting expenditure account in an amount equal to the transaction fee received but not to exceed \$250,000 annually and remitted to Parkmobile; and

WHEREAS, the revenues collected will be deposited into the City's General Purpose Fund (1010), Treasury Organization (08721), Parking Meter Collection Account (45311) and Program No. (IP60); and

WHEREAS, upon receipt of invoice and supporting documentation to show the number of transactions, revenue collected from Parking meter and the transaction fees collected, the City will reimburse the transaction fees to Parkmobile in an amount not to exceed \$250,000 per year; and

WHEREAS, to ensure adherence with GAAP, staff is requesting to establish annual spending authority in an amount not to exceed \$250,000 in the City's General Purpose Fund (1010), Parking Meter Collection Organization (08931), Miscellaneous Contracts Account (54919.000000.IP60); and

WHEREAS, the City Council finds that the services are professional, scientific or technical and awarding this agreement will not result in the loss of salary or employment by any person having permanent status in the competitive service; now, therefore, be it

RESOLVED: that the recitals set forth above are true and correct, and the City Council so finds and determines; and be it

FURTHER RESOLVED: that the City Administrator is hereby authorized to award a Professional Services Agreement to Parkmobile USA, Inc. "Parkmobile", in an amount not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000) for three (3) years at \$250,000 per year with two (2) one-year options to renew to provide Pay-by-Mobile Phone services; and be it

FURTHER RESOLVED: that the City Council of the City of Oakland hereby authorizes collection and appropriation of transaction fees in an amount not to exceed Two Hundred Fifty Thousand Dollars (\$250,000) annually for the term of the agreement starting Fiscal Year 2016 and ending in Fiscal Year 2019, as required under the professional services agreement and equal to the transaction fee collected and remitted to the City on all mobile app transactions, which is imposed by Contractor and is in addition to the parking meter fee; and be it

FURTHER RESOLVED: that this Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON McELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

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FINANCE & MANAGEMENT COMMITTEE

SEP 15 2015