
Proposed Agreement with Calgary Parking Authority – Parking System Software and Support

Recommendation

That the Standing Policy Committee on Transportation recommend to City Council:

1. That the City of Saskatoon enter into an interim agreement with the Calgary Parking Authority for the provision of parking enforcement system software and support services subject to the terms outlined in this report;
2. That the Office of the City Solicitor prepare the appropriate agreement for execution by His Worship the Mayor and the City Clerk under the corporate seal; and
3. That the Administration issue a Request for Proposals to procure a long-term supplier of the required parking enforcement system software to take affect at the conclusion of the interim agreement.

Topic and Purpose

The purpose of this report is to seek approval of an interim agreement with the Calgary Parking Authority for the provision of parking enforcement system software, including software support and data communication, related to the operation of the City of Saskatoon's FlexParking system. This report also highlights the scope of the parking enforcement software for the purposes of issuing a Request for Proposals for long-term service delivery.

Report Highlights

1. The City of Saskatoon (City) requires an interim agreement with the Calgary Parking Authority (CPA) for supply of parking enforcement software to ensure service continuity.
2. Procurement of long-term service is proposed through a Request for Proposals (RFP) process. The option of extending the interim agreement is also worthy of consideration.

Strategic Goals

This report supports the City's Strategic Goal of Moving Around by developing an integrated transportation network that is practical and useful. This report also supports the Strategic Goal of Asset and Financial Sustainability by securing important revenue streams.

Background

The City's current FlexParking system was procured in 2014 and commissioned in 2015. Included in the procurement was the requirement for a software system that would link the paid session data from the terminals with the enforcement hardware (vehicle and hand-held tablets) used by the enforcement officers. This software link, provided through the CPA, allows officers to verify vehicles in violation and conduct appropriate enforcement.

During system set-up in late 2014, the City was introduced to the CPA by our main parking system supplier, Cale Systems Inc. (Cale). The CPA was introduced as the most effective service provider of the needed parking enforcement software. Since that time, the CPA has been an important service provider in continuously improving the level of service and delivering parking enforcement support for the City.

A formal agreement for services has not been secured to this point for a variety of reasons, as follows:

1. The scope of services provided by the CPA has required continuous developments and adaptations over time to meet Saskatoon's unique service needs.
2. The negotiations regarding various levels of service over certain time periods has been complex, covering both past and future services.
3. The original understanding was that Cale would be providing these services, and it took some time to determine that the specific services were being provided by CPA. (It should be noted that discussions with Cale on this point are not concluded, but a formal arrangement with the CPA is required now, in the Administration's view, for service continuity.)

To date, payments for service to the CPA have included a one-time \$38,000 capital set-up fee, \$49,500 in operational fees for 2015, and \$72,000 in operational fees for 2016.

Report

Interim Contract with Calgary Parking Authority

A formal agreement with the CPA is required for the provision of parking enforcement services in 2017. Full implementation has occurred and, as such, the scope of service provided has expanded to meet Saskatoon's needs. The proposed agreement would include the following terms:

1. The agreement would be for eight-months (January 1, 2017 to August 31, 2017) at a cost of \$10,000 per month, including GST.
2. Parking enforcement software and support services to be provided by the CPA include:
 - a) system interfacing with pay machines;
 - b) uploading and hosting paid parking sessions;
 - c) providing real-time infraction processing;
 - d) providing effective collection of plate data;
 - e) providing relevant software support;
 - f) creating tickets and capturing photographs; and
 - g) managing and storing related ticket data.

Under Corporate Purchasing Procedure Policy No. A02-027, this proposed agreement would be considered a sole source contract with the CPA. In accordance with

Section 5.6(b) and (c) of the noted policy, a sole source contract is recommended for the following reasons:

1. The supply of this unique bundle of services, fully compatible with Saskatoon's parking system, is only available from the CPA in the short term, where continuity of service is imperative.
2. This is an extension of work in an existing area of service, where it is considered more economical, efficient, and expedient over the short term of the proposed agreement.

Parking Enforcement System Software and Support – Request for Proposals (RFP)

During the course of the interim agreement, an RFP would be issued to procure a long-term supplier of the parking enforcement system software and support services. The proposed scope of the RFP is outlined in Attachment 1. The timeline of the interim contract will allow for a successful proponent to be selected, approved, and set up to ensure service continuity.

Options to the Recommendation

An option to both Recommendation Nos. 1 and 3 would be to award a sole source contract to the CPA for provision of the parking enforcement software system for a longer-term period. The term could be recommended to align with the current contract with Cale for the provision of the terminals. The term would end September 30, 2020. This option would allow for continued service and would maximize the set-up and development investments already made. If the sole source option was chosen, the Administration could be instructed to negotiate the financial terms for the agreement beyond the eight-month term and a report could be brought back regarding the results of those negotiations. In the meantime, service fees would be paid on a month-to-month basis.

This option has not been recommended because the competitive bid process may result in lower costs.

The New West Partnership Trade Agreement allows for sole source agreements between public bodies. It should be noted that this does not circumvent our purchasing policies or bind the will of City Council. It is, however, an option to consider, given that the CPA is a committee of Council of the City of Calgary.

Public and/or Stakeholder Involvement

The procurement of the parking enforcement software service is for internal business needs to deliver our services. No further public or stakeholder consultation is required.

Communication Plan

This internal business function is not expected to generate or require specific public communication needs.

Policy Implications

As previously noted, under Corporate Purchasing Procedure Policy No. A02-027, the proposed interim agreement with the CPA is a sole source contract that requires the approval of City Council.

Financial Implications

Award of the interim sole source contract to the CPA would result in a total contract value of \$80,000. The 2017 operating budget has sufficient allocation to cover this expenditure. Net costs resulting from long-term procurement will be included in subsequent years' budgets based on the final approved contract value.

For contextual purposes, parking operations generate approximately \$10 million annually between paid parking, permitting, and ticket revenue. After supporting the expenses of operations, the remaining approximate \$8 million is directed toward repaying the vendor-financed contract with Cale, and general revenue to support the mill rate, as well as toward various programs, including streetscape improvement, Business Improvement District support, and the Community Support Officer Program.

Other Considerations/Implications

There are no environmental, privacy, or CPTED considerations.

Due Date for Follow-up and/or Project Completion

If direction is to proceed with an RFP for long-term service, then a report recommending award to the successful bidder will be brought forward for approval in mid-2017.

Public Notice

Public notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

Attachment

1. Proposed Outline of RFP Terms and Scoring Grid for the Parking Enforcement System Software and Support Services

Report Approval

Written by: Andrew Hildebrandt, Director of Community Standards

Approved by: Randy Grauer, General Manager, Community Services Department

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