

City of Minneapolis

Request for Committee Action

To: Transportation & Public Works
Date: 5/3/2016
Referral: Ways & Means
From: Public Works Department
Lead Staff: Ronnie Toledo, Parking Systems Analyst, Traffic and Parking Services
Presented by: Ronnie Toledo, Parking Systems Analyst, Traffic and Parking Services
File Type: Action
Subcategory: Contracts & Agreements

Subject:

Contract Amendment – On-Street Parking System

Description:

Authorizing the proper City officials to enter into Amendment #4 to Contract C-28373 with CALE America, Inc. for parts and maintenance of the on-street parking multi-space pay stations. The proposed amendment would:

1. Extend the termination date from June 30, 2016, to June 30, 2019, with the option to extend on an annual basis, for up to two (2) additional years ; and
2. Increase the maximum contract amount by \$3,850,000 from \$8,150,000 to \$12,000,000 to cover the extension's projected cost for operational expenditures.

Previous Actions:

June 19, 2015 – Authorized amendment # 3 to extend termination date from June 30, 2015 to June 30, 2016 and increase the “Maximum Contract Amount” of City contract C-28373 with Cale America by \$650,000 from \$7,500,000 to \$8,150,000 to address operational costs through June 30th 2016.

April 26, 2013 – Authorized amendment #2 to increase the “Maximum Contract Amount” of City contract C-28373 with Cale America by \$1,500,000 from \$6,000,000 to \$7,500,000 to address operational costs through June 30th 2015.

May 25, 2012 – Authorized amendment #1 to increase the “maximum Contract Amount” of City contract C-28373 with Cale America Inc. by \$1,000,000 from \$5,000,000 to \$6,000,000.

April 16, 2010 – Authorized City officials to negotiate and enter into agreements with the companies CALE, IPS and POM. Authorized capital appropriation of \$6,600,000 to fund the on-street meter program (purchase, install, communications, enforcement, etc.) CALE's portion of this was \$5,000,000.

Ward/Address:

Not Applicable

Background/Analysis:

Currently there are 655 on-street multi-space parking pay stations (6,800 spaces) in the City's inventory. After completing the RFP process in 2010, the City executed contract #C-28373 with CALE and roll-out began in November, 2010. Pay station installation was completed in November, 2012. The useful life of these pay-stations can be up to twelve years.

The current amendment #3 to City contract #C-28373, expires on June 30, 2016. It includes terms for purchase of:

- Service
- Replacement Parts
- Supplies
- New and Replacement Pay-stations
- Software licensing and support
- Monthly Fees for:
 - Credit Card Gateway Fees
 - Communications
 - Back End System usage

The hardware and software components of the pay-stations, along with the back-end management system, are proprietary to CALE America. CALE America is the sole source for proprietary spare parts, software upgrades, and support for the City's on-street multi-space pay-stations.

As such, the Permanent Review Committee (PRC) granted a waiver of issuance of a new request for proposal (RFP); granting to extend and increase the maximum value of contract #C-28373 with CALE America, Inc. for the City's multi-space parking metered system as follows:

1. Extend the termination date of City contract #C-28373 from June 30, 2016 to June 30, 2019 with the option to extend on an annual basis, for up to two (2) additional years.
2. Increase the maximum contract amount by \$3,850,000 from \$8,150,000 to \$12,000,000 to address operational costs, and parts.

Financial Review:

No additional appropriation required, amount included in current budget.

- Future budget impact anticipated.**
- Approved by the Permanent Review Committee.**
- Meets Small and Underutilized Business Program goals.**