

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER
FINANCE DEPARTMENT
KIM NADEAU, PARKING MANAGER, FINANCE DEPARTMENT
BRANDALYN TRAMEL, PURCHASING AGENT, FINANCE
DEPARTMENT

SUBJECT: CONTRACT EXTENSION FIRST AMENDMENT – F000656
PARKING METER SERVICES AND SUPPLIES

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by the Finance Department that the City Council, by motion, approve the First Amendment to Contract F000656 for single space, credit card enabled electronic parking meter services and supplies for a four-year extension, with an average 6.3% increase in product unit pricing and no increase in cost for services with IPS Group, Inc., San Diego, California, in the amount not to exceed of \$300,000.

EXECUTIVE SUMMARY

Contract F000656 for parking meter services and supplies is due to expire on December 31, 2016. IPS Group, Inc. has submitted a proposal for a four-year contract extension for services and supplies. IPS Group, Inc. continues to provide satisfactory services.

BACKGROUND

On December 3, 2013 the City Council awarded Contract F000656 for a period of three years with up to four years of extension options for single space electronic parking meters and related services, in the total amount of \$258,121.50. This item supported City Council Goal 1 – Create a Strong, Sustainable Economic Base in that the new meters provide a more convenient and user friendly parking experience.

ANALYSIS

The proposal submitted by IPS Group, Inc. is for the authorized full four-year period with an average 6.3% increase to product unit pricing, and no increase in cost for services. The need to increase product unit pricing reflects the potential market increases for product costs over the four-year period. The City will experience no increase to services for Secure Wireless Gateway/Data Fees, Meter Management System Software License Fees, and Secure Credit Card Gateway Fees, which is the primary expenditure for this contract. Included in Exhibit B-1 is an extended product cost sheet that will be held for the four-year period. The items on Exhibit B-1, pages 2-9, will be purchased through a yearly Blanket Purchase Order on an as needed basis.

The City and IPS Group, Inc. entered into a three-year agreement on December 3, 2013, awarded by the City Council. See contract activity chart below:

<u>Award/Amendment</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Authorization</u>
Contract Award	December 3, 2013	3-Yr Contract	\$258,121.50	City Council
First Amendment	Pending	4-Yr Extension, addition of funds	\$300,000	City Council
Not to exceed Cumulative Contract Value			\$558,121.50	

The First Amendment to this contract extends the current services for an additional four years as authorized with the initial contract approval. Upon approval of the First Amendment, the cumulative value of the Contract F000656 will be \$558,121.50. Under the City's Contract/Purchase Order Modification Policy III-9, this First Amendment requires approval by the City Council.

FISCAL IMPACT

Funds for this expense are included in the fiscal year 2016-17 adopted Parking Fund budget in the Finance Department. As a regular operating expenditure, the services as described are expected to be included in subsequent years' budget proposals when presented to the City Council.

ENVIRONMENTAL IMPACT

Not Applicable. This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change

in the environment, pursuant to CEQA Guideline section 15378.

PRIOR CITY COUNCIL REVIEW

On December 3, 2013 the City Council awarded a three-year contract with four one-year extension options in the amount of \$258,121.50.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable

NOTIFICATION

Not Applicable

ATTACHMENTS

- Attachment 1 – Draft First Amendment
- Attachment 2 – Exhibit B - 1

CONTACT

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