



CITY OF POMONA COUNCIL REPORT

October 2, 2017

To: Honorable Mayor and Members of the City Council
From: Linda Lowry, City Manager
By: Kirk Pelser, Deputy City Manager
Subject: **Adoption of a Resolution Amending the Vehicle Parking District's Fiscal Year 2017/18 Operating Budget by Appropriating \$13,500 of Fund Balance for Annual Services Related to the Vehicle Parking District's Payment Kiosks, Credit Card Processing and Related Software Services**

OVERVIEW

Recommendation - That the City Council:

- 1) Adopt the attached Budget Resolution amending the Fiscal Year (FY) 2017-2018 Vehicle Parking District (VPD) Budget by appropriating \$13,500 from the VPD Fund Balance to the VPD FY 2017-2018 Controllable Contract Services line item, and
- 2) Authorize the City Manager to sign all necessary documents to complete transactions for on-going T2/Digital Parking Technologies parking payment kiosk credit card processing and electronic back-office operations (such as kiosk function alerts, audit reports, parking stall use reports, parking data collection and storage).

Fiscal Impact – Funds for the recommended appropriation of \$13,500 are available in VPD's fund balance. This action would amend the VPD FY 2017-2018 Controllable Contract Service budget line item 230-9300-52285-0000 by adding the appropriated amount.

Previous Related City Council Action – On October 17, 2011, the City Council awarded a contract to Digital Payment Technologies for installation of the 17 parking permit machines, devices, extended warranties, related software services and a five-year maintenance agreement. To pay for the machines and services the City Council also approved a five-year financing

agreement with Pinnacle Public Finance. Approval of these actions were recommended to the City Council by the Vehicle Parking District Board of Parking Place Commissioners.

Previous Related Board of Parking Place Commission Action – On September 14, 2017, at the regular Vehicle Parking District Board of Parking Place Commission meeting, the VPD Commission approved recommending to the City Council an appropriation of \$13,500 from the 2017-2018 Fiscal Year Vehicle Parking District budget for on-going T2/Digital Parking Technology parking payment kiosk credit card processing and electronic back-office operations (such as kiosk function alerts, audit reports, parking stall use reports, parking data collection and storage)

EXECUTIVE SUMMARY

The recommended action is to amend the FY 2017 -2018 VPD Budget by appropriating \$13,500 from the Vehicle Parking District fund balance to the current FY 2017-2018 operating budget to pay for VPD parking payment kiosk credit card processing service and back-office electronic operations/ communications (Software Services).

BACKGROUND & DISCUSSION

In mid-2011, the City/VPD purchased 17 new electronic parking payment kiosks to replace older, non-functioning, outdated manual machines. The VPD Board of Parking Place Commissioners, after analyzing and reviewing several products from various vendors, selected a package from Digital Payment Technologies, which was recently acquired by T2 Parking Systems (T2/Digital). The Digital package included the machines (hardware) and back-office operation/communication software and connectivity (software). In addition, credit card processing was added. The package was a five-year contract that expired in February of 2017. The approximate cost was \$370,000 which the City/VPD opted to finance over a five- year period through a third party lender (Pinnacle Public Finance, Inc.) for a total cost of approximately \$403,600 (financing cost included).

Although the VPD sought to extend the service contract with T2/Digital for future years, the vendor did not offer that option. However, the VPD was able to purchase piece-meal services. The VPD purchased an extended warranty service for 18 months from T2/Digital, and a repair and major maintenance labor service commitment from GA Technical Service (the same provider under the original 5 year contract) for one year. Now, the VPD has to purchase credit card processing and back-office operation/communication services from T2 for \$13,260 a year in order to maintain parking payment operations.

CONCLUSION

In order to continue credit card processing and back-office operations (Software Services) of the parking payment kiosks, the City/VPD must pay for these services on an annual basis. The current cost is \$13,260. The VPD Board of Parking Place Commissioners is recommending that the City Council approve a budget amendment of \$13,500 to the VPD 2017-2018 Fiscal year budget to continue these needed services.

Resolution Amending the VPD FY 2017/18 Operating Budget

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Attachment: Appropriation Resolution