



# CITY OF POMONA COUNCIL REPORT

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November 19, 2018

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted By: Kirk Pelser, Deputy City Manager

Subject: **Adoption of a Resolution Amending the Vehicle Parking District Fiscal Year 2018-2019 Operating Budget by Appropriating \$13,500 from the Vehicle Parking District Fund Balance for Parking Payment Kiosks Electronic Back Office Operations/ Communications and Credit Card Processing Services from T2/Digital Parking Technologies**

## OVERVIEW

**Recommendation** - That the City Council adopt the attached Resolution amending the Vehicle Parking District (VPD) fiscal year 2018-2019 budget by appropriating \$13,500, from the VPD fund balance to the Fiscal Year 2018 – 2019 VPD operating budget for parking payment kiosks electronic back office operations, communications, and credit card processing services.

**Fiscal Impact** – The appropriation of \$13,500 from the Vehicle Parking District fund balance will be used to amend the Vehicle Parking District Fiscal Year 2018-2019 operating budget Controllable Contract Expenses line item, account 230-9200-52285-00000, to pay for parking payment kiosks electronic back office operations software systems and credit card processing services provided by T2/Digital Payment Technologies.

**Previous Vehicle Parking District Commissioner Action** – On October 11, 2018, the VPD Board of Parking Place Commissioners unanimously elected to approve a resolution recommending to the City Council an appropriation not to exceed \$13,500 for T2/Digital Payment Technologies electronic back office operating systems and credit card payment services.

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## **EXECUTIVE SUMMARY**

At the October 2018 Vehicle Parking District Board of Parking Place Commissioners meeting, the Board unanimously elected to recommend to the City Council an appropriation not to exceed \$13,500 from the VPD fund balance to amend the Fiscal Year 2018-2019 operating budget. The appropriation is to cover the cost of the T2/Digital Payment Technologies (current parking kiosk vendor) electronic back-office software system / operations and credit card processing services. These services are necessary to keep the parking kiosks units operational.

The services were not budgeted in the Fiscal Year 2018-2019 budget in anticipation that new parking payment kiosks would be installed prior to the end of the previous fiscal year. Procurement and installation of the new kiosks is now anticipated to be completed during the first quarter of 2019, at which time the above subject services will no longer be necessary. The appropriation is a “not to exceed figure.” If the new kiosks are operational sooner, the actual cost of service will be less.

## **BACKGROUND / DISCUSSION**

Beginning in 2011, the VPD had a five-year contract with T2/Digital Payment Technologies to provide the above subject services, parts, labor, warranty and on-line/phone technical support, to operate the VPD parking payment kiosks. That contract expired in 2016 and renewal was not available. In order to keep the kiosks functional since then, the City Council approved an appropriation of \$13,500, in Fiscal Year 2017-2018 for the back office and credit card processing services (same as the current request). Anticipating replacement of the current parking payment kiosks with new machines prior to the end of last fiscal year, the cost for such services was not budgeted into the current Fiscal Year 2018-2019 budget.

Recent Department of Industrial Relations (DIR) rules, and the requirement for Public Works Standards for the installation of the new payment kiosk caused a delay in procuring the new machines. A determination by the DIR as to the labor/project category in which to identify and place this project took several months to resolve. These requirements (prevailing wage, DIR registration, contractor licensing and project bonding) had to be negotiated with a new payment kiosk vendor and a Public Works contract had to be tailored to the specific product/quantity/installation/services needed. Only after the bond, insurance, and other documents were received, reviewed and approved, could the vendor begin manufacturing the new kiosks, which is a 90-day process. A VPD budget amendment appropriating \$13,500 from the VPD fund balance is necessary to pay for the current electronic back-office software / operations system and credit card processing services from T2/Digital, until the new machines are installed, which is anticipated to occur in the first quarter of 2019. Without these services, the existing payment kiosks cannot operate.

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**CONCLUSION**

In order to keep the existing parking payment kiosks operational, the Board of Parking Place Commission recommends that the City Council approve a budget amendment appropriating an amount not exceed \$13,500 from the Vehicle Parking District fund balance to the current Fiscal Year 2018-2019 operating budget to pay for the VPD parking payment kiosk electronic back-office services / operational system and credit card processing service. The services are necessary to maintain the functionality of the parking payment kiosks, which are essential to VPD parking operations.

Attachment: Resolution