
CITY OF KELOWNA

MEMORANDUM

Date: September 28, 2005
File No.: 5480-08
To: City Manager
From: Ron Westlake, Transportation Manager
Subject: **On-street parking meter replacement trial**

Report prepared by Jerry Dombowsky

RECOMMENDATION:

THAT City Council approve the award of the "Pay and Display" parking meter trial to Digital Payment Technologies for 22 meters to be installed on Bernard Avenue on a 12 month trial basis with an option to purchase.

BACKGROUND:

Current on-street parking meters are aging and require replacement due to technological, financial management and practical issues. The 10-year Capital Plan has provision for this replacement, through utilization of the Parking Reserve fund. A 2004 budget request was approved by Council for this purpose and carried over to 2005. An RFP process was entered into and Digital Payment Technologies was selected after rigorous evaluation of the five proposals received. The other respondents were Cale Systems, Precise Park Link, TCS International, and Trafco Canada.

The current on street meters are encountering difficulty with the millennium coin sets which make currency identification difficult. This results in consumers being incorrectly credited for parking paid, increased dissatisfaction due to frequent "out of order" problems. Vandalism of existing meters is frequent, problematic and causes significant loss of revenue and costs of repair. Audit of meter collections is not possible given current equipment deficiencies.

"Pay and Display" parking equipment is an on-street parking technology that provides numerous centrally located ticket dispensers which customers access to receive a time stamped ticket which is then displayed in their vehicle windscreen. Benefits to this technology include:

- complete coin set acceptance eliminating miscredits or out of order problems
- credit card capability increases customer payment options
- customers can take unused time with them to another stall location
- meters are programmable to eliminate confusion as to when parking payment is required
- two part ticket option reminds customers exactly when parking time will expire
- wireless communication from machines means out of orders are immediately reported
- cash collection time is dramatically reduced
- anti-vandalism features reduce maintenance costs and lost revenue from equipment "down time"
- improved cash box security
- financial audit capability is assured
- automated computer database of usage is logged and saved on a central server for future access

- individual meter posts are eliminated freeing up valued sidewalk space for other uses and improves the streetscape

A trial period of 12 months will be entered into between the City and Digital Payment Technologies after which the decision to purchase can be made based upon customer, business owner, and parking management feedback.

Total purchase price for all 22 units is \$266,390 including installation, maintenance and training. As part of the procedure to share the risk of the trial with the vendor, \$48,028 of the purchase price is to be paid upon award and will be non-refundable. A monthly rental charge of \$4,356 for all 22 machines will also be applied (pro-rated) at the end of the trial period if the trial is rejected by the City. Costs of equipment removal of \$6,170 would also be applied.

Parking management's research has shown strong satisfaction in municipalities of all sizes that have moved to this parking technology. The Kelowna Parking Committee has received a presentation from the manufacturer of this equipment and have approved the technology. The Downtown Kelowna Association has also provided a letter of support for Pay and Display parking equipment.

Digital Payment Technologies

Located in Vancouver, Digital Payment (formerly Digital Pioneer) is an innovative leader in the design, manufacture and distribution of leading-edge revenue-management hardware, software and wireless solutions for the multi-billion-dollar parking industry. The company's products provide complete financial tracking, control and reporting on parking revenue collected by cities, municipalities, parking management companies, private operators and national parks, from customer payment through to bank deposit.

Being a rapidly growing company and strong investors in research and development, our financial review revealed some degree of under capitalization within the company. To mitigate this risk the initial proposal call for 50 machines was reduced to 22, and a monthly pro-rated rental agreement was reached.

Given the above, Council's approval is respectfully requested.



Ron Westlake
Transportation Manager

Approved for inclusion
John Vos, Director of Works & Utilities

cc: Paul Macklem, Director, Finance
Jerry Dombowsky, Transportation Demand Supervisor