

ORDINANCE No. 183637

Extend contract with Cale Parking Systems USA, Inc. and increase authority to purchase additional parking pay stations, support services and product enhancements (Ordinance; amend Contract No. 36734)

The City of Portland ordains:

Section 1. The Council finds:

1. Ordinance No. 176191, passed by Council January 9, 2002, authorized Contract No. 34037 with Schlumberger Transactions Systems (Parkeon) for Portland's older Stelio pay stations. The Stelio pay stations are now in the 8th year of their estimated 10-year service life.
2. On March 18, 2006, a Request for Proposal (RFP No. 105126) was issued for pay stations with improved performance characteristics such as online authorization of bank cards. As a result of the RFP, Ordinance No. 180208, passed by Council June 7, 2006, authorized Contract No. 36734 with Cale Parking Systems USA, Inc. (Cale), for the purchase of pay stations. Council provided purchasing authority for a minimum of 200 pay stations and related services.
3. Ordinance No. 181199, passed by Council August 8, 2007, authorized Amendment No. 1 to Contract No. 36734 with Cale, adding optional features for parking pay stations such as cell phone payment.
4. On January 25, 2008, Amendment No. 2 to Contract No. 36734 was filed with the City Auditor, wherein the city obligated Cale to Payment Card Industry Standards (PCI Compliance) version 1.1, and extended the contract term for an additional year through June 29, 2009.
5. In 2008 the Bureau of Transportation initiated an analysis to address replacement and long-term financing of pay stations. Portland's older pay stations were no longer under warranty and the cost to replace essential operating components was a concern. The analysis showed that a 5-year replacement of the older pay stations with newer pay stations was the most cost-effective asset management strategy.
6. Ordinance No. 182368, passed by Council November 26, 2008, authorized Amendment No. 3 to Contract No. 36734 with Cale, adding purchasing authority for additional parking pay stations and associated service fees, and extending the contract term for an additional two years through June 29, 2011. In Fall 2009, the purchase authority was used to install 270 Cale pay stations to help address recent operational problems with the older pay stations and, at the same time, complete the first year of capital replacement.
7. In Fall 2009, the Bureau of Transportation Budget Advisory (BAC) reviewed options for funding capital replacement of aging parking pay stations. The BAC recommended that pay station debt service for five years be funded with House Bill 2001 revenues.

8. Transportation conducted a market analysis to compare current pricing under the Cale contract with recent pay station pricing around the country. The 13-city survey, which asked for unit pricing for pay stations and back office service, showed that pricing was substantially higher in the cities surveyed. Survey results support a finding that Portland's available contract pricing under the Cale contract is most competitive.

9. Transportation requires purchase authority for up to 1500 pay stations that would be used to complete replacement of the older pay stations and to provide service to future meter districts. Cale has offered to extend current contract pricing for an additional five-year term with a commitment from the City to purchase 500 hundred machines each year over the next two years. Cale has also offered a range of pay station system enhancements and optional services that will improve service to Portland customers and support future technology advancements.

10. Total purchase authority requested to extend the Cale contract through June 29, 2016, is \$15,680,960. The total value of the contract with Cale would be increased to an amount not to exceed \$20,105,335 (includes previous authorization of \$4,424,375). Pay stations generate approximately \$19 Million per year in on-street parking revenues to Transportation. This contract would ensure that this revenue stream continues. .

11. The Bureau's level of confidence in the cost estimate for this amendment is optimal because this amendment will extend existing contract pricing.

NOW, THEREFORE, the Council directs:

- a. That the Commissioner-in-Charge and the Auditor are authorized to sign the amendment to Cale Parking Systems USA, Inc., Contract No. 36734 in a form substantially in accordance with the amendment attached to the original of this Ordinance and, by reference, made a part hereof.
- b. That the contract amount for Contract No. 36734 shall be increased to \$20,105,335.

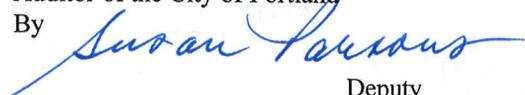
Passed by the Council, MAR 24 2010

Mayor Sam Adams
Prepared by: Ellis McCoy/vrl
Date Prepared: January 19, 2010

LaVonne Griffin-Valade

Auditor of the City of Portland

By



Deputy

377 417

✓140

Agenda No. **ORDINANCE NO. 183637**

Extend

Title

Amend contract with Cale Parking Systems USA, Inc. to extend the term and increase authority to purchase additional parking pay stations, support services and product enhancements (Ordinance; amend Contract No. 36734)

INTRODUCED BY
Commissioner/Auditor:
MAYOR SAM ADAMS
W. Hillmer on behalf of Mayor Adams
COMMISSIONER APPROVAL

Mayor—Finance and Administration - Adams

Position 1/Utilities - Fritz

Position 2/Works - Fish

Position 3/Affairs - Saltzman

Position 4/Safety - Leonard

BUREAU APPROVAL
Bureau: Bureau of Transportation
Bureau Head: Susan D. Keil, Director
Lavinia Gordon *L Gordon*
Transportation System Group Manager

Financial Impact Statement
Completed Amends Budget
Not Required

Portland Policy Document
If "Yes" requires City Policy paragraph stated in document.
Yes No

Council Meeting Date
~~3/10/10~~ 3/17/10

City Attorney Approval

CLERK USE: DATE FILED MAR 12 2010

LaVonne Griffin-Valade
LaVonne Griffin-Valade
Auditor of the City of Portland

By: *[Signature]*
Deputy

ACTION TAKEN:
MAR 17 2010 PASSED TO SECOND READING MAR 24 2010 9:30 A.M.

AGENDA

TIME CERTAIN
Start time: _____
Total amount of time needed: _____
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: **10 minutes**
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz ✓	
2. Fish	2. Fish ✓	
3. Saltzman	3. Saltzman ✓	
4. Leonard	4. Leonard _____	
Adams	Adams ✓	