

City of Mississauga  
**Corporate Report**



<p>Date: December 18, 2023</p> <p>To: Chair and Members of General Committee</p>	<p>Originator's files:          PRC004133</p>
<p>From: Geoff Wright, P.Eng, MBA, Commissioner of          Transportation and Works</p>	<p>Meeting date:          January 24, 2024</p>

## Subject

**Single Source Award for the Pay and Display Parking Management System with Precise Parklink Inc. – Amendment and Extension - File Ref: PRC004133 and old file FA.49.141-16 (Wards 1, 2, 4 and 7)**

## Recommendation

1. That the Chief Procurement Officer or Designate be authorized to initiate contract negotiations with Precise Parklink Inc. to continue a long term partnership and establish the Pay by Licence Plate Parking Management System Acquisition Agreement for a seven year period from March 2024 to March 2031, as outlined in the report from the Commissioner of Transportation and Works, dated December 18, 2023 and entitled “Single Source Award for the Pay and Display Parking Management System with Precise Parklink Inc. – Amendment and Extension - File Ref: PRC004133 and old file FA.49.141-16 (Wards 1,2, 4 and Ward 7)”.
2. That the Chief Procurement Officer or Designate be authorized to execute the contract and all related ancillary documents with Precise Parklink Inc. on a single source basis for products, services, and maintenance and support, with forecasted growth estimated at \$7,194,560 for the seven year period, in a form satisfactory to the City Solicitor and subject to annual budget approval.
3. That capital project PN 23-197 “Parking Pay and Display Machine Upgrade” be amended to a gross budget and net budget of \$2,481,000 to be funded from Parking Meter Revenues (Account #35519).
4. That funding of \$1,519,000 be transferred from Parking Meter Revenues (Account #35519) to PN 23-197 “Parking Pay and Display Machine Upgrade”.
5. That the Chief Procurement Officer or Designate be authorized, where the amount is provided in the budget, to increase the value of the contract to accommodate growth,

and to negotiate and execute contract amendments to add any future features, functionalities, modules and systems related to Precise Parklink Inc.'s Pay by Licence Plate parking management system solutions in order to accommodate the City's growth requirements such as better alignment, audit controls, modernization and mobility.

6. That Precise Parklink Inc. continues to be designated a "City Standard" for the seven year period, March 2024 to March 2031.
7. That all necessary by-laws be enacted.

## Executive Summary

- The System Acquisition Agreement between the City and Precise was extended for a seven year period on March 20, 2017.
- Since 2009, the City has installed 247 pay and display machines in the Downtown, Port Credit, Clarkson and Cooksville, and has made a capital investment of approximately \$3,369,000 in the paid parking program.
- From 2017 to 2022 the Municipal Parking program transferred \$5,165,000 to the various Parking Reserve Funds.
- An estimated capital budget of \$2,481,000 is required to convert the existing Pay and Display machines to Pay by Licence Plate (PBLP) technology, upgrade and refurbish the machines, and upgrade the Central Parking Management System to current industry and PCI Compliance standards.
- The objectives of paid parking are to manage local traffic, and to ensure a consistent level of parking availability in an effective and efficient manner.

## Background

A System Acquisition Agreement between the City of Mississauga (City) and Precise Parklink Inc. (Precise) was extended for a seven year period on March 20, 2017, for the supply, delivery, and support of pay and display machines and a Central Parking Management System (CPMS). The current agreement with Precise includes:

- Supply of pay and display machines
- Support and "Level 2" maintenance of pay and display machines
- A software licence to the City for Precise's Central Parking Management System (CPMS)
- A software licence to the City for Precise's Parking Display Access Control Permissions System (PDACPS), which supports the use of parking multi-visit cards (MVC)
- Processing of credit card parking transactions made at the pay and display machines and related controls for Payment Card Industry Data Security Standard Compliance (PCI Compliance)

Since 2009, the City has installed 247 pay and display machines in the Downtown Core, Port Credit, Clarkson and Cooksville, and has made a total capital investment of approximately \$3,369,000 in the paid parking program.

## Comments

The objectives of paid parking are to manage local traffic and to ensure a consistent level of parking availability in an effective and efficient manner. The long-term objective for the implementation of parking fees was to develop a self-supporting parking program to manage municipal parking throughout the City. From 2017 to 2022, the paid parking program transferred \$5,165,000 to the Parking Reserve Fund.

The City's 247 pay and display machines process approximately one million coin, credit card, and parking multi-visit card transactions per year. These transactions are processed through the CPMS which is hosted on servers and communicates through Precise's network licenced by the City. Maintaining equipment reliability, maintenance standards, transactional security, and predictable annual operating costs are a priority for the continued success of the paid parking program.

Pay and display machines have been used in Mississauga for nearly 14 years in the Downtown, Port Credit, Clarkson, Cooksville and Streetsville. The majority of the pay and display machines were refurbished and upgraded in 2017.

Municipal Parking has identified a number of system improvements that are required to convert the existing pay and display machines to PBLP technology, upgrade and refurbish the machines, and upgrade the Central Parking Management System to current industry and PCI Compliance standards. These improvements will enable the City to streamline and improve the payment process, eliminate the need for physical MVC cards, increase compliance, improve the customer experience, and introduce dynamic pricing when appropriate.

### **Conversion to Pay by Licence Plate Technology**

At this time, drivers walk to the pay and display machine, pay for parking, receive a printed receipt and then return to the vehicle to display the receipt on the dashboard for inspection by parking enforcement officers.

With PBLP, customers park their vehicles and make their payment transaction at a PBLP terminal. The system records license plate information (entered by the customer) and collects payment for the parking transaction using coins or credit cards. To start, customers will continue to receive a printed receipt and then return to the vehicle to display the receipt on the dashboard for inspection by parking enforcement officers. Once the Parking Enforcement system (Gtechna) is fully operational, the customer's license plate number will act as a "permit" eliminating the need to return to their vehicle to display a receipt. Parking payment will be

enforced by existing by-law enforcement officers using handhelds or by a License Plate Recognition (LPR) vehicle.

### **Capital Products, System Upgrade and Refurbishment**

A significant capital investment will be required to upgrade the machines to PBLP technology, refurbish the machines and bring the inventory up to industry standard for PCI Compliance, communications, parking activity reporting, and revenue reconciliation.

Flowbird's WebOffice (FWO) central parking management system is the evolution of the Parkfolio operating environment and provides a complete and powerful system for efficient parking management. FWO will include a banking system upgrade and consolidation, which will allow the City to perform three-way credit card reconciliation between the FWO, payment processor, and the City's bank as recommended by Internal Audit.

It is estimated that the upgrade of the following items will extend the life cycle of these machines to the end of the anticipated seven year term of the contract with Precise, the upgrades will include the following:

- Strada S5 Retrofit Kit – which includes a large colour touch screen for improved functionality and user experience
- Strada S5 Contactless Payment Kit – EMV certified contactless payments and increased transaction speed capabilities
- Strada S5 4G Modem – Industry standard 4G network modem, that will improve latency, quality, availability, reception and security
- Strada S5 mainboard – including a new and improved operating and financial backed system

### **Multi Visit Card (MVC) System Upgrade**

The City currently offers a MVC payment card for individuals who frequent the Downtown. This allows individuals to buy parking visits in bulk at a discounted rate rather than paying the daily maximum. These cards are compatible with the current pay and display machines in the Downtown parking garages and the two Municipal Parking lots adjacent to Sheridan College.

To purchase a MVC card, a customer must complete an online application and make payment through the City e-store. A MVC card is then mailed to the customer, which can take 3-5 business days. Currently, customers must call or e-mail Municipal Parking to obtain their MVC card balance, which is not optimal, at times resulting in customers running out of parking visits.

The FWO system is configured to manage and distribute multi-visit bundles as prescribed by the City (eg. 8, 16, 32 ad 64-use bundles), and replace Precise's Parking Display Access Control

Permissions System (PDACPS), known as Keyscan MVC, and eliminate the need for physical MVC cards.

Once the PBLP machines are in place, the customer will enter their licence plate and a unique 4-5 pin code, customers will continue to receive a printed receipt and then return to the vehicle to display the receipt on the dashboard for inspection by parking enforcement officers. Once the Parking Enforcement system (Gtechna) is operational, the customer's license plate number will act as a "permit" eliminating the need to return to their vehicle to display a receipt. The MVC card balance will be displayed on the digital screen and the receipt, further improving customer service.

#### Pay and Display Machine Refurbishment Program

The lifecycle of a pay and display machine that is deployed outdoors is seven years. The majority of the outdoor pay and display machines were refurbished in 2017. In order to convert the machines to PBLP technology, all of the pay and display machine will require a new Strada S5 retrofit kit (front door, digital screen, EMV reader). As such, it was determined that the most cost effective option for the City to maintain a reliable pay and display machine network is to undertake a refurbishment program at the same time. The specifications of the refurbishment program include the following:

- Repair of each machine's external damage and rust
- Repaint each machine's shell with manufacturer specified paint
- Replacement of each machine's internal components such as harnesses, seals, hinges, etc.
- Assembly and programming

Entering into this contract with Precise will allow the City to operate and maintain the City's existing inventory of pay and display machines, upgrade to PBLP technology, and extend their lifecycles, while bringing the fleet up to current industry and PCI Compliance standards.

The City's pay and display machines are proprietary to Precise and operate only on their CPMS network and are not compatible with any other back end network. Converting the machines to work with another vendor's operating system or replacing the existing inventory with another vendor's parking machine would be cost prohibitive.

#### Purchasing By-law Authorization

The recommendation in this report is made in accordance Section 13 Single Source Procurement of the Purchasing By-law #0013-2022, Schedule A, items 1(c)(h) which states the Goods and/or Services are unique to one particular supplier and no reasonable alternative or substitute exists due to exclusive rights such as patent, copyright or license; and for additional Goods and/or Services from the original Supplier that were not included in the original Procurement, if the change of Supplier for such additional Goods and/or Services cannot be

made for:

- (i) Economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial Procurement; and
- (ii) Would cause significant inconvenience or substantial duplication of costs for the City

Transportation and Works, Information Technology, Finance, Legal Services and Procurement Services staff are collaborating to establish the detailed requirements, negotiate the final arrangements and prepare the requisite forms including the agreement.

## Financial Impact

An operating budget amount of \$481,000 is currently funded to pay for ongoing system maintenance and support of the pay and display machines and CPMS in place today. It is estimated that the current operating budget will cover the anticipated operational increases that will be required for the system maintenance and support of the pay and display machines and CPMS.

The 2023 funding in PN 23197 “Parking Pay and Display Machines Upgrade” is \$481,000 and an additional \$481,000 is being funded through the 2024 Budget for a total of \$962,000. Additional funding of \$1,519,000 is being requested to be transferred from Parking Meter Revenues (Account #35519) to increase PN 23197 “Parking Pay and Display Machines Upgrade” gross and net budget to \$2,481,000.

A significant capital investment will be required to upgrade the machines to PBLP technology, upgrade the components, refurbish the machines and bring the inventory up to industry standard for PCI Compliance, communications, parking activity reporting, and revenue reconciliation.

Staff has initiated discussions with Precise Parklink Inc. and issued a single source procurement request that will establish the operating model for the supply, delivery, and support of a Pay by Licence Plate parking management system, for an additional seven years as outlined in Appendix 1 – Statement of Work.

## Conclusion

A System Acquisition Agreement between the City of Mississauga and Precise Parklink Inc. was extended on March 20, 2017, for the supply, delivery and support of a pay and display machine and Central Parking Management System. Since 2009, a total of 247 pay and display machines have been purchased by the City and installed in the Downtown Core, Port Credit, Clarkson and Cooksville.

Investing in converting the machines to PBLP technology and upgrading the CPMS will allow the City to extend the lifecycle of the machines by seven years, maintain industry and PCI Compliance standards and perform three-way credit card revenue reconciliation as recommended by Internal Audit.

This report proposes to authorize the Chief Procurement Officer or Designate to initiate contract negotiations and execute the contract with Precise Parklink Inc. on a single source basis for products, services, and maintenance and support, subject to City Solicitor and annual budget approval.

## Attachments

Appendix 1: Statement of Work



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Geoff Wright, P.Eng, MBA, Commissioner of Transportation and Works

Prepared by: Tomasz Brzeziak, Parking Coordinator