

**DRAFT****RESOLUTION 20xx-xxx****RESOLUTION AUTHORIZING A SOLE SOURCE SERVICE AGREEMENT OF FIVE YEARS FOR PARKING METER AND PAY STATION AS-NEEDED DATA SERVICES AND PURCHASE OF PARTS AND REPAIRS FROM IPS GROUP, INC. TO ALLOW FOR CONTINUED OPERATIONS OF THE DISTRICT'S PARKING METERS AND PAY STATIONS ON TIDELANDS**

**WHEREAS**, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

**WHEREAS**, the Board of Port Commissioners (BPC) adopted BPC Policy No. 110 establishing a procedure for the administration of contracts and the purchasing of supplies, materials, and equipment and establishing a policy governing the processing and administration of contracts; and

**WHEREAS**, the San Diego Unified Port District (District) currently operates 760 smart parking meters and four (4) multi-space pay stations (Existing Inventory) in operation throughout District tidelands that were purchased from IPS Group, Inc. (IPS); and

**WHEREAS**, the installation of smart parking meters and pay stations has given the visitor the ability to pay via debit card, credit card, or coin and even provides the option of obtaining a receipt for business use; and

**WHEREAS**, the District's initial investment into parking technology, provides an improved visitor experience, as well as real-time data reporting that assist the District in continued management of its parking assets, parking turnover, and public access to the Bay; and

**WHEREAS**, the Existing Inventory was purchased from IPS, between April 2015 and October 2016, by three separate BPC approved agreements which expired on May 17, 2020; and

**WHEREAS**, due to the uncertainty of the Coronavirus (Covid-19) impact, staff entered into a six-month agreement with IPS for continued monthly data services and as-needed repairs associated with the continued operations of the District's Existing Inventory; and

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**WHEREAS**, this six-month agreement is now nearing its termination and staff is recommending that the BPC authorize a sole source service agreement of five years with IPS to purchase as-needed data services for continued operations of the District's existing 760 smart parking meters and four (4) pay stations as well as any future purchase of meter supply, parts and repairs for sustained operations; and

**WHEREAS**, the proposed agreement with IPS gives the District the right to terminate at any time with or without cause by giving 30-days written notice; and

**WHEREAS**, parking meters have shown a quicker recovery than initially anticipated from the COVID-19 impacts and initial stay-at-home closure orders; and

**WHEREAS**, parking revenues for the months of March 2020 through August 2020 have exceeded the "Base Case" forecast by nearly \$872,000 with roughly 80 percent of the favorable results being driven by parking meters; and

**WHEREAS**, a new agreement with IPS is needed for the continued operation of the District's smart parking meters and pay stations; and

**WHEREAS**, the two categories of continued operations are (1) data services and (2) parts and repairs; and

**WHEREAS**, data services (reflected in "Facility Management Services" in Fiscal Impact) includes the electronic payments made through the use of a wireless network to authorize payment by credit or debit card as well as the District's access and use of IPS Data Management System (DMS) which wirelessly connects all IPS smart parking meters and pay stations permitting modifications electronically in the parking rates charged, smart parking meter and pay station inventory tracking, return for repair tracking, coin collection tracking and real-time data and revenue reporting; and

**WHEREAS**, the continued use of this parking technology will allow the District to continue to offer the electronic payment features, management and adjustment of parking rates, and the management of turnover and accessibility of current metered parking spaces on Tidelands; and

**WHEREAS**, the parts and repairs category (reflected in Parking Meter Supplies in Fiscal Impact) cover the necessary repair parts that need to be purchased from IPS for the smart parking meters and pay stations to continue operating via the IPS wireless network as well as the necessary repairs and maintenance of the District's smart parking meters and pay stations which handle a high volume of transactions, totaling approximately 1.3 million annually; and

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**WHEREAS**, staff recommends the BPC authorize a new agreement with IPS for the continued use of their proprietary technology to allow for continuous operations and management of the District's smart parking meters and pay stations on Tidelands.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Port Commissioners (BPC) of the San Diego Unified Port District (District), does hereby authorize the Executive Director or her designee to execute a sole source service agreement of five years for parking meter and pay station as-needed data services and purchase of parts and repairs from IPS Group, Inc. to allow for continued operations of the District's smart parking meters and pay stations on Tidelands. The sole source service agreement is for the period of November 1, 2020 to October 1, 2025, in an amount not to exceed \$860,000, and may be terminated upon 30-day written notice. All funds required for future fiscal years will be budgeted in the appropriate fiscal year, subject to BPC approval upon adoption of each year's fiscal budget.

APPROVED AS TO FORM AND LEGALITY:  
GENERAL COUNSEL

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By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 6<sup>th</sup> day of October 2020, by the following vote: