



COUNCIL REPORT

Report Date: June 11, 2024
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Meeting Date: July 24, 2024
[Submit comments to Council](#)

TO: Standing Committee on City Finance and Services
FROM: General Manager of Engineering Services and Chief Procurement Officer
SUBJECT: Contract Award for Provision of Mobile Parking Payment System

Recommendations

- A. THAT Council authorize City staff to negotiate an agreement for the Provision of Mobile Parking Payment System with HotSpot Parking Inc. (a subsidiary of Arcadis N.V.) for an estimated contract value of approximately \$6,100,000 over the initial five (5)-year term, and an estimated contract value for the entire potential ten (10)-year term including all possible five (5) unilateral one (1)-year extension terms (the "Agreement") of approximately \$12,200,000, which will be funded from the annual operating budget for contract services.
- B. THAT Council delegate its authority to execute the Agreement to the City's Director of Legal Services, Chief Procurement Officer, and General Manager of Engineering Services.

No legal rights or obligations will be created by Council's approval of Recommendations A and B unless and until the City executes and delivers the Agreement.

Purpose and Executive Summary

The City issued a Request for Proposal PS20230456-COV-RFP (the "RFP") on November 8, 2023 for the Provision of Mobile Parking Payment System. The RFP was intended to solicit an additional service provider to complement the City's existing provider (PayByPhone Technologies Inc.) as an option for customers and to enhance overall resilience of the parking management infrastructure. The City advertised the RFP on the City of Vancouver website in accordance with the City's Procurement Policy (ADMIN-008). City staff on the RFP evaluation committee and the Bid Committee have considered the responses received and recommended that the City negotiate an agreement with HotSpot Parking Inc.

Council Authority/Previous Decisions

The City's Procurement Policy (ADMIN-008) requires Council to approve contracts with a total value greater than \$3,000,000 following review and recommendations by the City's Bid Committee. The Bid Committee has considered the bids and recommends HotSpot Parking Inc.

(a subsidiary of Arcadis N.V.) as the successful proponent. Upon approval by Council, the City will develop and execute a public communications plan for the general public.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

The City currently has one mobile parking payment system service provider (PayByPhone Technologies, Inc.). To improve the reliability of the City's pay parking infrastructure, and to provide customers with a choice between two service providers while still maintaining streamlined administrative and financial processes associated with managing multiple service providers, the City requires one additional service provider.

The purpose of the RFP was to identify another supplier with the capability to meet the City's requirements for the provision of mobile parking payment system while offering a competitive price and satisfactory service.

Discussion

The RFP was issued in accordance with the City's Procurement Policy (ADMIN-008). The City received responses from: HotSpot Parking Inc.; PayByPhone Technologies, Inc.; Precise ParkLink Inc.; ZipBy USA LLC; Honk Mobile Inc.; and ParkMobile, LLC. The responses were evaluated, using both quantitative and qualitative factors, by an evaluation team comprised of representatives from Engineering Services, Financial Services, and Technology Services, under the stewardship of Supply Chain Management, to assess each response's overall value.

Some of the criteria considered in the overall evaluation process included:

- Payment Card Industry (PCI) compliant, cloud-based solution;
- Mobile application and telephone-based interactive voice response (IVR) system;
- Multiple payment options, including credit card, debit card and e-wallet; and
- Meeting functional and technical requirements at a competitive price.

The evaluation team concluded that the proposal submitted by HotSpot Parking Inc. met the City's requirements and provided the best overall value to the City.

Financial Implications

Finance has reviewed and confirmed that the cost of the contract will be funded from the annual operating budget for contract services. As a result of the RFP, the City is able to achieve cost certainty for the proposed five (5)-year initial term, and the optional five (5) one (1)-year extensions.

Legal Implications

The City's Procurement Policy (ADMIN-008) requires the Director of Legal Services to execute all contracts that have been awarded by the Bid Committee and Council.

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