



AGENDA REPORT

Meeting Date: February 17, 2009
Item Number: F-19
To: Honorable Mayor & City Council
From: Chad Lynn, Director of Parking Operations
Subject: APPROVAL OF AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND I.P.S. GROUP, INC TO PROVIDE FLEXIPAY SINGLE-SPACE PARKING METERS; AND

APPROVAL OF A CHANGE ORDER IN THE AMOUNT OF \$1,326,325 TO I.P.S. GROUP, INC. FOR A TOTAL NOT TO EXCEED AMOUNT OF \$1,375,700 FOR THIS PURCHASE

Attachments: 1. Agreement

RECOMMENDATION

Staff recommends that the City Council move to approve an agreement between the City of Beverly Hills and I.P.S. Group, Inc. for the purchase of single-space, credit card, parking meters for the use in the City's on-street parking operations, and approve a change order in the amount of \$1,326,325 for a total not to exceed amount of \$1,375,700.

INTRODUCTION

In response to the City Council's direction to implement "smart" technology and to provide the residents and visitors to the City of Beverly Hills with the highest levels of service available, staff has been working with the I.P.S. Group, Inc. to deploy single-space, credit card, parking meters throughout the City; the first deployment of this type in the United States.

In the summer of 2007, the City entered into a joint program with the City of West Hollywood to pilot this emerging technology. Twelve parking meters were installed on the east side of the 300 block of N. Canon Drive, which remain in service. After many rounds of testing and continuous improvement, in June of 2008, the City entered into phase two of the pilot program with the purchase and deployment of 150 meters on Civic Center Drive. This second generation of the technology addressed many of the equipment and component concerns discussed during the original pilot program and

have now satisfied the long-term maintenance and operations concerns brought forward by the City's Parking Services Technicians.

The public interface of the second generation of this product is very similar to the original, and has overwhelming acceptance from the community. This equipment provides all of the features and functions of a standard single-space parking meter in addition to allowing credit card payment and real-time communications. The Civic Center parking meter installation is currently operating with almost 50% of the revenues collected from credit card transactions.

Upon satisfaction with the hardware performance of the equipment, staff began working with the vendor to determine the cost effectiveness of a system wide deployment. Staff is now confident that a reliable and cost effective product, long-term maintenance agreement, communication methods and a favorable agreement with the hosted application service provider have been achieved.

DISCUSSION

Staff has proposed the replacement of the single-space parking meters located throughout the City for the following reasons:

- Ability to accept credit cards at the meter
- The current inventory is over 15 years old
- While functional, the current technology is limited in features and performance
- Ability to change hours of operation, rate and user messages in real-time through remote systems
- Real-time communications provides immediate information on meter malfunctions, leading to reduced vandalism and more effective enforcement
- Higher levels of audit data and revenue security
- Solar powered "green cell" batteries
- Additional revenues generated and captured from these improvements will help stabilize the budget deficit in the Parking Enterprise Fund

After the initial pilot program, and prior to the execution of the original agreement for the second phase of the pilot program and the purchase of the 150 parking meters for initial deployment, the City issued a Request for Information (RFI) to determine if there were similar or competing products available for purchase. The RFI was released in March 2008 and was published and advertised in accordance with the purchasing regulations for the City of Beverly Hills. Although multiple submissions were received, no other product, with a representative maintaining a presence in the United States, was capable of providing a single-space meter with credit card acceptance.

Once it was determined that there was not a competing product on the market, the City moved forward with an agreement that outlined the long-term equipment pricing, maintenance costs, and ongoing application service provider fees. This agreement was for the initial 150 parking meters purchased, but included provisions for future purchases with the approval of the City Council. Major terms of the agreement consist of the following:

- Long-term equipment pricing based on CPI and percentage discounts
- Long-term pricing for application service provider and communication fees
- Five year warranty on equipment

- Most favored nations clause, which ensures that the City of Beverly Hills will have the most favorable pricing available for all equipment and service fees throughout the life of the installation

While the hardware cost per meter is very competitive on a per space basis when compared with multi-space parking equipment, currently the only other solution available that is capable of accepting credit cards, staff remained concerned with the ongoing fees associated with communications and hosting over the total number of meters deployed throughout the City. In response to this concern, the Contractor has agreed to forgive any fees associated with these meters the City is unable to recover in increased revenues. Simply stated, if we don't increase revenues enough to cover the costs associated with the ongoing operations of these meters, we don't pay.

In addition to communication and application service provider fees, the City will incur a \$0.10 per transaction fee for each credit card purchase. Based on the high use of credit cards, the incremental increase per transaction associated with credit card use and the reduction of physical cash inventory, staff considers this fee to be cost neutral. Initial usage of the credit cards for the 12 parking meters location on Canon Drive was about 10% and increased over time to 18%. During the deployment on Civic Center Drive of 150 parking meters, credit card usage is approximately 46%. The use of credit cards reduces the demand associated with coin collection and processing, including the amount of coin that needs to be collected, transported, counted, bagged, stored, transported again, and finally deposited. This allows resources dedicated to collection, maintenance and other activities to be redeployed, effectively allowing staff to do the more work with the same resources or the same work with less. As an ancillary benefit, any reduction in the physical coin count and/or a reduction of physical contact with the coin inventory, limits the amount of revenue that is exposed to leakage. Lastly, the average meter purchase with a credit card is higher than the average purchase with cash; a phenomenon referred to as the incremental increase in spending. While most cash purchases are related to the amount of change in the users possession at the time of purchase, credit card purchases are usually for the maximum amount of time available to ensure compliance.

The 2700 parking meters will be deployed throughout the City, starting with the central triangle and working outward toward the major arterials. Once these areas are completed implementation will move toward the public parks, surrounding civic areas, and the remaining meters will be used to establish a reserve stock for use during maintenance and repair. Staff assistance will be available during the initial installation, and the customer service hotline number will be posted on the meter, but based on the deployments on Canon and Civic Center Drive no additional staffing will be necessary for the transition process.

FISCAL IMPACT

The City has already purchased 125 parking meters at a cost of \$49,375. I.P.S. Group has delivered an additional 35 parking meters that require payment of \$13,825 as part of Amendment No. 1 or must be returned as part of the current agreement.

The cost to purchase the additional 2700 parking meters will be \$1,066,500.

The annual costs for communication and application services provider fees are capped at \$46,000 per year, for a total of \$230,000 over five years.

Due to PCI compliance, the City has agreed to use I.P.S. Groups subcontractor for all credit card transmittal, processing and reconciliation services. The annual cost for credit card transaction fees is estimated to be \$75,000 per year, for a total of \$375,000 over five years.

A contingency of \$125,000 is being allocated for additional and unforeseen equipment needs, installation and deployment upgrades which may arise in the normal course of a project of this size, scope and magnitude.

The total additional capital and operating expenses to fund the first year of operations, including contingencies, are estimated at \$1,326,325. There is currently \$745,625 available in CIP 0911 the Single Space Credit Card Parking Meter project. There are additional funds of \$2,183,919 unencumbered and available in CIP 0785 the Parking Access and Revenue Control System project. Staff is proposing repurposing \$581,000 to fund the remainder of this project. Since these funds have already been allocated, there are no additional impacts to the Parking Enterprise Fund.

On-going annual expenses of \$121,000 per year will be paid out of the annual operating budget.

Staff estimates additional revenues of \$280,000 per year based on reduced vandalism, and more efficient response to out of service equipment. Additional revenues of over \$1 million annually may be realized upon implementation of the parking meter rates exceeding the current maximum \$1 per hour.

Staff estimates the total cost of this agreement over the five year term, including operating costs and contingencies to be \$1,860,000.



Scott Miller
Finance Approval



David Gustavson
Approved By

AMENDMENT NO. 1 TO AN AGREEMENT BETWEEN THE
CITY OF BEVERLY HILLS AND I.P.S. GROUP, INC. TO
PROVIDE FLEXPAY SINGLE-SPACE PARKING METERS

NAME OF CONTRACTOR: I.P.S. Group, Inc.

RESPONSIBLE PRINCIPAL OF CONTRACTOR: David King, President

CONTRACTOR'S ADDRESS: 12526 High Blvd Dr. #165
San Diego, CA 92130

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Chad Lynn, Director of Parking
Operations

COMMENCEMENT DATE: Upon Written Notice to Proceed from City
staff

TERMINATION DATE: June 30, 2014, unless extended pursuant to
Section 2 of the Agreement

CONSIDERATION: Not to exceed \$1,860,000 based on the unit
costs set forth in Exhibit B-1

AMENDMENT NO. 1 TO AN AGREEMENT BETWEEN THE
CITY OF BEVERLY HILLS AND I.P.S. GROUP, INC. TO
PROVIDE FLEXPAY SINGLE-SPACE PARKING METERS

This Amendment No. 1 is to that certain Agreement, dated May 30, 2008, and identified as Contract No. 171-08 (the "Agreement"), a copy of which is on file in the office of the City Clerk, between the City of Beverly Hills, a municipal corporation (hereinafter called "CITY"), and I.P.S. Group, Inc., a Pennsylvania corporation (hereinafter called "CONSULTANT") to provide FlexPay single-space parking meters.

RECITALS

A. CITY entered into a written Agreement, dated May 30, 2008, for FlexPay single-space parking meters.

B. CITY desires to amend Exhibits A and B-1 to clarify or update information contained therein.

NOW, THEREFORE, the parties hereto do amend the Agreement as follows:

Section 1. Exhibit A shall be amended to read as attached hereto and incorporated herein by this reference.

Section 2. Exhibit B-1 shall be amended to read as attached hereto and incorporated herein by this reference.

Section 3. Except as amended by this Amendment No. 1, the Agreement shall remain in full force and effect.

EXECUTED the ____ day of _____, 200__, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

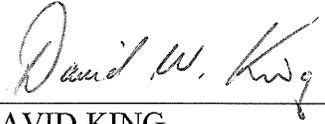
BARRY BRUCKER
Mayor of the City of Beverly Hills,
California

ATTEST:

BYRON POPE
City Clerk

[signatures continue]

CONTRACTOR:



DAVID KING

President



CLAUDINE STERING

Secretary

[signatures continued]

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

RODERICK J. WOOD, CCM
City Manager



DAVID GUSTAVSON
Director of Public Works and Transportation



CHAD LYNN
Director of Parking Operations



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF SERVICES

This Scope of Services contains the technical specifications for the purchase, maintenance, warranty and installation of 125 I.P.S. Wireless, single-space, solar powered, credit card capable parking meters. Contractor shall provide said meters to City pursuant to the terms and conditions set forth in this Scope of Services.

1. GENERAL INFORMATION

1.1. The City of Beverly Hills (CITY) wishes to purchase single-space parking meters which are capable of accepting and processing real-time credit card payment for the on-street parking areas within the City. This scope of services clarifies and specifies the requirements of the equipment and services to be provided by I.P.S. Group, Inc. ("Contractor").

1.2. The City currently operates approximately 3,100 on-street parking meters. The City wishes to create additional payment opportunities, which will potentially reduce shrinkage, vandalism, and operating costs while simultaneously increasing compliance and provide the City an opportunity to consider on-street parking rates that achieve operating goals and provide greater customer convenience. It is essential that the equipment is easy to use, robust enough to meet the local physical conditions and meet the operational and customer service goals of the project. The City is working to replace approximately 390 off-street single-space parking meters with multi-space equipment, so approximately 2,850 parking meters and will be replaced as part of this project.

1.3. Contractor will provide the I.P.S. FlexPay, wireless, single-space, solar powered, credit card capable parking meter for replacement of the City's current parking meters.

2. DEFINITIONS AND ABBREVIATIONS

- 2.1. City shall mean the City of Beverly Hills
- 2.2. Contractor shall mean the I.P.S. Group, Incorporated
- 2.3. LCD shall mean Liquid Crystal Display
- 2.4. LED shall mean Light Emitting Diode
- 2.5. Maintenance Office shall mean the City of Beverly Hills meter shop.

- 2.6. Parking Office shall mean the office of Parking Operations/Services.
- 2.7. Project Manager shall mean the City Manager of Beverly Hills or his designee.
- 2.8. PC shall mean Personal Computer.
- 2.9. Single-Space Meter, Parking Meter, Meter or Mechanism shall refer to devices as specified in this document used to control, collect, and report revenue for a single parking space.
- 2.10. Housing shall mean the protective covering for the meter mechanism and vault.
- 2.11. Meter cap, cap or dome shall mean the protective covering used to cover the mechanism.
- 2.12. Vault shall be the area of the housing separated from the mechanism in which the cash revenues are collected and securely stored.
- 2.13. Meter Pole or Pole shall mean the area in which the housing is mounted and connected to the street.
- 2.14. Yoke shall mean any and all parts needed to install and operate two space meters and/or housings on a single meter pole.
- 2.15. MS shall mean Management System software and hardware, if any, provided by the contractor for the data gathering and storage of the parking meter information. This would include any license for use of the MS.
- 2.16. Hosting shall mean that the services and infrastructure shall be housed by and at the expense of the Contractor. Unless otherwise noted, it is established the contractor will provide this service.
- 2.17. User Programmable or user settable shall mean the settings can be changed from the MS and in the field by and at the discretion of the City without assistance from Contractor or physical hardware changes to the equipment, unless otherwise specified.

2.18. Remote message shall mean a cell phone text message or email generated by the MS.

2.19. Customer shall mean the person parking and using the parking meter.

2.20. Communication Board shall mean the PC Board that controls the wireless methodology that enables the I.P.S. Flexi Pay Meter to communicate with the I.P.S. Management System (MS).

2.21. RFID shall mean the Radio Frequency Identification chip that is located inside the meter housing.

2.22. GPS shall mean Global Positioning System

2.23. Meter Package shall mean the meter mechanism and all related components and services as specified herein for the purposes of prices.

3. GENERAL SPECIFICATION

3.1. Contractor shall accept sole responsibility for the product(s) and system(s) supplied for this project.

3.2. These are general specifications and terms for all equipment, hardware, software and services provided for the purchase and implementation of this program.

3.3. It shall be assumed that all functions specified herein shall be compatible with one another unless otherwise stated.

3.4. All components and connections are fully weather, waterproofed and designed for conditions found in this region.

3.5. All user settable or other programmable features can be done through the MS or at the meter without conflict, unless otherwise specified.

3.6. All system/equipment/meter upgrades can be done through the MS or at the meter without conflict, unless otherwise specified.

3.7. All user settable or other programmable features shall be delivered to the City programmed as the City intends to operate the equipment in the field.

3.8. All programming features shall be pre-programmable and executable at a time/date specified in the MS. For example, a new rate may be programmed on May 1st in the MS to be downloaded automatically on June 1st.

3.9. Stored data remains unaffected and is retained during power outages, and communication loss such as a depleted or disconnected battery or communication signal loss. Information is buffered until connectivity has been reestablished and information is dumped to the MS.

3.9.1. On the exceptional occasion that connectivity cannot be reestablished, data may be gathered using the data port, as defined herein, and sent to the MS.

3.9.1.1. Contractor shall make every effort to restore communication if this occurs.

3.10. All modular parts shall have a unique serial number for tracking, inventory and warranty purposes.

3.10.1. In addition to electronic tagging, each modular component shall have a tag indicating the date it was placed in service.

3.11. City shall have access to Contractor's internal inventory control system via the MS, as it relates to the City's account, services, hardware and inventory.

3.12. The meter mechanisms shall be delivered programmed with all of the user definable preferences as defined by the City.

3.13. All products, services and components necessary to delivery the specifications contained herein shall be provided by the Contractor. This includes, but shall not be limited to, the hardware, software, MS services, wireless services, credit card processing services, and any third party integrations necessary to facilitate integration, data gathering or communications.

3.14. All credit card services and functionality shall be offered in contact and contactless platforms.

3.15. Functions stated shall be assumed to be user settable unless otherwise noted.

4. METER MECHANISM

4.1. General Specifications

4.1.1. Fully electronic meter mechanism with solid state semiconductor components

4.1.2. Meters will be new and warranted to operate:

4.1.2.1. Meters shall function as specified herein in a temperature range of -38 to +183 degrees F and under extreme street conditions such as dust and grime.

4.1.2.2. Under the environmental conditions found in Southern California, the County of Los Angeles, and the City of Beverly Hills, including but not limited to wind blown dust, rain, and fog.

4.1.3. The mechanism is able to fit into the Duncan model 70 or 80 meter housing without the City's modification to the mechanism or housing. All exposed mechanism parts fit flush with the outside of the case without modification to the mechanism or housing.

4.1.3.1. The City currently estimates 60% of its inventory to be Model 80 and 40% to be model 70 housings. City shall specify at the time of order which housing the meter shall be installed.

4.1.3.2. All meters shall be capable of being moved between the Duncan model 70, 80, 90 and 95 housing with only the adjustment of the meter card entry face plate and the meter housing cap.

4.1.3.3. Vendor shall be responsible for any and all additional work needed to fit any and all meters into the existing housings listed herein. This requirement shall survive the termination of this agreement.

4.1.4. The meter is designed to support a wireless interface for data collection by the MS and a contact/contactless interface for programming, data gathering, and collections at the unit.

4.1.4.1. Contact interface shall be via a serial data port at a rate of 4800 bauds.

4.1.4.2. Contactless interface shall be via infrared readers/transmitters or through the RF communication system at a rate of 4800 bauds.

4.1.4.3. Meter shall be capable of converting between wifi and cellular communications by use of the following communication boards:

4.1.4.3.1. GSM

4.1.4.3.2. CDMA

4.1.4.3.3. WiFi

4.1.4.4. Meter shall be capable of converting to the City's proprietary wireless service if/when that service becomes available by changing the communications board or by changing the Contractors node interface, and the Contractor shall make it compatible if necessary.

4.1.4.5. Switching between networks after initial delivery may require the replacement of the communications board, at the pre-designated prices contained herein.

4.1.4.6. Current configuration for delivery

4.1.4.6.1 Contractor shall provide a full turnkey communications system which will ensure each meter is connected and communicating with the MS system on a real time and continuous basis.

4.1.4.6.2 Contractor shall obtain the City's approval for any hardware installations, including but not limited to, nodes, solar panels, or other equipment needed to bridge communications from the meter to the MS.

4.1.5. The meter mechanism is capable of supporting both coin and real time credit card operations. Meter shall be capable of accepting both contact and contactless credit cards.

4.1.6. Disabling of one payment option shall not prevent the other payment options from functioning.

4.1.7. User settable messages shall be displayed informing customers to use one or both as the operation requires.

4.1.8. Any hardware/software part that requires individual repair services more than three (3) times during its normal service life shall be replaced at no cost to the City.

4.2. Field Serviceability

4.2.1. The meter is designed so that metallic and non-metallic foreign objects are cleared from the coin chute and card reader under all weather conditions within 3 minutes.

4.2.1.1. For those jams that are not able to be cleared within three (3) minutes, the coin and card reader shall be hot-swappable in the field.

4.2.1.2. For card reader jams that cannot be cleared in the field, the meter must be returned to the meter shop for maintenance and/or replacement of the card reader.

4.2.2. Meter shall have a testing phase in which functionality can be determined without disrupting audit and other counting functions.

4.2.2.1. The meter returns to full functionality after user settable elapsed time or manually exiting. No time added during the testing phase shall be added to real time function.

4.2.2.2. Meter shall have a method of adding time without affecting audit or other counting functions.

4.2.2.2.1. The meter maintenance staff will be issued personalized maintenance credit cards which enable the maintenance staff to add time to a meter.

4.2.2.2.2. Use of these cards is tracked through the MS.

4.2.2.2.3. The individual cards can be enabled or disabled by a supervisor on the management system.

4.2.2.2.4. Contractor shall provide these cards to the City at no additional fee.

4.2.2.2.5. This shall be a function that is determined by the user level access profile.

4.2.3. The meter returns to full functionality after object(s) are cleared automatically, without any further action required.

4.2.4. No special tools shall be required for field service.

4.2.5. Self-diagnostics and readable programming at the meter and via the MS.

4.3. Power Supply

4.3.1. A 7.2 volt rechargeable battery pack will be shipped installed into a fully functioning meter.

4.3.2. The battery's service life shall be a minimum of 48 months with minimal exposure to lighting and 12 months with no exposure to lighting before entering a low battery indication.

4.3.2.1. All batteries not meeting this standard shall be repaired or replaced by the contractor at no cost to the City.

4.3.2.2. Batteries ability to recharge and maintain the standards above shall be for a period of no less than 48 months. The following operations are assumed:

4.3.2.2.1. The meters will remain functional 24/7.

4.3.2.2.2. Both front & rear LEDs will be functional during operation, and at all times when the meter is disabled.

4.3.2.2.3. Front display will flash when meter is expired.

4.3.3. A low battery message/icon will appear on the front LCD and a remote message shall be generated when the battery life reaches a user definable level.

4.4. Front Display / Indications

4.4.1. User settable information shall be displayed from a high contrast LCD that decrements time remaining till expiration and actual time of expiration. This may also contain

rates and hours of operations as no rate plates are visible from the meter. This shall be user settable in any combination of information.

4.4.2. The LCD display is capable of displaying user programmable alpha/numeric messages. Message shall dynamically change based on meter functionality conditions.

4.4.2.1. Standard Message

4.4.2.2. No Payment Required Message

4.4.2.3. No Parking Allowed Message

4.4.2.4. Coin Jammed – Credit Card Only Message

4.4.2.5. Credit Card Jammed – Coin Only Message

4.4.2.6. Time Restriction Violation (Meter Feeding)

4.4.2.7. Tow Away Zone

4.4.2.8. Special Event

4.4.2.9. User Settable Message(s) will have a minimum of 10 event driven additional messages which are no longer than 40 characters in length each.

4.4.3. Capability of showing an expired meter message, including the duration the meter has been expired. Message shall be user settable formatting, including all LCD and LED functions in a format as set forth in 4.4.2.9.

4.4.4. Capable of showing cash values with proper symbols such as \$.

4.4.5. Two (2) single color front and rear LED indicators.

4.4.5.1. Red (flashing) to signify an expired meter

- 4.4.5.2. Red (non-flashing) to signify a disabled meter
- 4.4.5.3. Green to signify a paid meter
- 4.4.5.4. No display during all other times
- 4.4.6. Contractor settable on/off and programming of the LED function including, but not limited to:
 - 4.4.6.1. Rate/Frequency of flash
 - 4.4.6.2. Duration of illumination/flash
 - 4.4.6.3. Auto on/off function by time/day and/or date
- 4.4.7. Rates and Hours of Operations Display
 - 4.4.7.1. Meter shall be capable of displaying the rates, hours of operations, and maximum time limits.
 - 4.4.7.2. This shall be individually programmable for each meter.
- 4.4.8. Touch sensitive button shall be reasonably responsive in all weather; hot, cold, rain, and all other conditions found regionally.
 - 4.4.8.1. Touch sensitive buttons shall be reasonably responsive to any touch including but not limited to, finger points, finger pads, thumbs, and knuckles.
 - 4.4.8.2. Touch sensitivity is auto-calibrating.
 - 4.4.8.3. If meters do not reasonably respond as stated herein, Vendor shall make all adjustments, at the direction of the City, and at no expense to the City.
- 4.5. Rear Display / Indications

- 4.5.1. Two (2) single color front and rear LED indicators.
 - 4.5.1.1. Red (flashing) to signify an expired meter
 - 4.5.1.2. Red (non-flashing) to signify a disabled meter
 - 4.5.1.3. Green to signify a paid meter
 - 4.5.1.4. No display during all other times
- 4.5.2. Contractor settable on/off and programming of the LED function including, but not limited to:
 - 4.5.2.1. Rate/Frequency of flash
 - 4.5.2.2. Duration of illumination/flash
 - 4.5.2.3. Auto on/off function by time/day and/or date
- 4.6. Meter Grouping
 - 4.6.1. Each housing shall contain a “button” which records the GPS location of the housing location and associated pole identification number.
 - 4.6.2. Each mechanism shall communicate with the “button” to establish all programming associated with the mechanisms current location.
 - 4.6.2.1. System shall recognize and record mechanism changes.
 - 4.6.2.2. System shall be capable of maintaining an accurate vault count, regardless of the mechanism change.
 - 4.6.3. Grouping is user settable in the MS in multiple and overlapping layers will drill down capability.

4.6.3.1. Groups may be established by zone, street, rate, or any other attributes as desired.

4.6.3.2. Reports shall allow groups to be drilled down. Example: Total revenue for a zone can be drilled down to a street, then block, the block face, then specific meter(s).

4.6.3.3. Groups may overlap such that a single meter is part of more than one group.

4.7. Rate Groups

4.7.1. Rates shall have the capacity to establish user programmable groups in the following manners:

4.7.1.1. By User Settable Grouping

4.7.1.2. By Meter ID Number(s)

4.7.1.3. By Pole Number(s)

4.8. Mechanism Inventory

4.8.1. Each mechanism shall have a unique serial ID number.

4.8.2. Each mechanism shall be programmable for the pole/location ID number.

4.9. Coin Chute

4.9.1. The coin chute is a plug and play module and can be removed, installed and cleared without use of special tools.

4.9.2. Coin chute will operate in conditions found regionally, including by not limited to heat, cold, rain, fog and other common conditions.

4.9.3. Coin chute is hot swappable without additional programming or coin training.

4.9.4. The coin chute can detect/log metallic or non-metallic, valid and invalid objects.

4.9.4.1. The meter will continue to decrement the available time left on the meter when it enters the out of order or similar mode.

4.9.4.2. When the jam is cleared, the meter will return to regular operation automatically, without any further action, and continue to decrement the available time left on the meter.

4.9.4.3. All coins create a maintenance/transaction log at the MS and remote notification via text message or email.

4.10. Coin Acceptance & Discrimination

4.10.1. At minimum the meter and supports up to ten (10) different coins and/or tokens.

4.10.1.1. A programmable token may be employed to pre-sell or for use as a merchant incentive.

4.10.1.2. Tokens are user settable by time or denomination value.

4.10.2. Equipment shall be upgradeable and shall be able to accept new coins as they are created and enter circulation without hardware upgrades.

4.10.2.1. Coin validators must be reprogrammed by the contractor and cannot be done via the MS.

4.10.2.2. Contractor shall provide this service in perpetuity at no cost to the City.

4.10.2.3. If the Contractor shall discontinue this service to all clients, Contractor shall provide all necessary software, hardware and training necessary to allow City to execute this function.

4.10.3. All meters shall be capable of accepting the following coins upon delivery:

4.10.3.1. US Dollar coin

4.10.3.1.1. Sacagawea

4.10.3.1.2. Susan B. Anthony

4.10.3.2. Quarter

4.10.3.3. Dime

4.10.3.4. Nickel

4.10.4. The meter is capable of being programmed and re-programmed to change the recognition and parking rate of acceptable coins and tokens.

4.10.5. The contractor will improve screening of invalid coins upon the City's request for the life of the product. The City will provide at least 100 samples of any objects that it wants to be screened as invalid.

4.10.6. The meter will maintain a count of all coins or other objects that did not match the programmed characteristics passing through the coin chute and log/report as non-valid.

4.10.7. The coin chute provides a free-fall, as straight as possible drop channel. Coin jams can be cleared from either the top or bottom of the coin chute.

4.10.8. Moisture, grime, heat or cold will not affect the coin chute.

4.10.9. The meter has anti-pull back levers that prevent the retrieval of deposited coins attached to strings/ribbons or other devices used to retrieve the coin after acceptance.

4.11. Card Acceptance and Discrimination

4.11.1. Moisture, grime, heat or cold will not disable the card slot.

4.11.2. Credit card operations to include at a minimum VISA, MasterCard, American Express, and Discover cards.

4.11.2.1. The City is currently accepting VISA and MasterCard, but shall, at its sole discretion, be capable of adding the others with no additional costs or equipment from contractor.

4.11.3. Card slot shall be functional in all weather, including rain, and shall not be disabled by water or other liquid.

4.11.4. The time/amount the meter defaults too upon insertion and removal of a credit card shall be user settable.

4.11.4.1. Upon card insertion and removal the time shall be set to default to the maximum.

4.11.5. Incrementing/Decrementing amount shall be user settable.

4.11.5.1. Upon delivery, incrementing/decrementing amount shall be set at \$0.25.

4.11.6. Customer shall always be able to press the cancel key without penalty prior to accepting the transaction or allow the default time period to pass without action.

4.11.7. Meter shall be user settable such that the same parking meter shall not accept the same credit card for payment over the posted time limit in consecutive transactions.

4.11.7.1. A specific message will display to inform the customer they have exceeded the maximum allowable purchase of time.

4.11.8. Meter shall be contractor settable to either automatically process the credit card for the amount of time selected after a user definable period of time passes without activity or to cancel the transaction.

4.11.9. Meter shall be able to have a user settable minimum transaction amount, which may be different from the user settable incremental increase/decrease amount.

4.11.10. Settings for increments and minimums shall be made in either time or dollars.

4.11.11. Cancellation of payment, whether automatic or manual, shall not affect previously deposited payments.

4.12. Upgradeability

4.12.1. Meter operating system can be upgraded easily in the future with simple software installations via the MS or via the data port(s).

4.12.2. The meter shall be capable of connecting to a wireless “hockey puck” for real-time, true occupancy information.

4.12.2.1. The “hockey puck” shall monitor and report to the meter the presence, lack of presence, or changing presence of a vehicle.

4.12.2.2. Meter shall be capable of zeroing out/time resetting upon vehicle vacating the occupied space.

4.12.2.3. Meter shall be capable of reducing abandoned time by a user settable percentage or to a user settable flat rate.

4.12.2.4. Meter shall be capable of preventing additional time to be purchased past the established time limit. (Prevent meter feeding.)

4.12.2.5. This feature may be upgraded to integrate real-time, customer, web enabled access to available on-street parking spaces.

4.12.2.6. This feature may be upgraded to integrate with a future, dynamic wayfinding signage program which will direct customers to streets/facilities with available parking.

4.13. Rates and Grace Periods

4.13.1. The following time and rate features are user settable:

4.13.1.1. Standard rate operation. Same rate all day, everyday, 24/7.

4.13.1.2. Multi-rate options

- 4.13.1.2.1. Time of day – up to 5 rates in a 24 hr period.
- 4.13.1.2.2. Day of week – different rate and time limits by day.
- 4.13.1.2.3. Charge current rate if time purchased enters the next rate period OR charge the current rate if the time purchased enters the next rate period AND charge that rate thereafter.
- 4.13.1.2.4. Date specific, such as a user definable day for a special event, with a minimum of 15 dates.
- 4.13.1.2.5. Date specific, such as a holiday that falls on a specific day (Dec 25th) OR on the legally recognized day (third Thursday of the month.)
- 4.13.1.2.6. Demand Management Pricing
 - 4.13.1.2.6.1. With the “hockey puck” the system shall be capable of real-time monitoring and adjustment of rates based on total occupancy in a user settable zone.
- 4.13.1.3. Pre-payment during free or non-paid time. Purchase time is held in escrow until meter enters the operating period.
 - 4.13.1.3.1. The escrow period prior to operation periods shall be user programmable.
- 4.13.1.4. Prevention of purchasing time into the next period if such period is a no parking period. A message shall display with this information.
- 4.13.2. Grace time shall be user programmable. Time at which the meter displays no time or negative time but does not show on the enforcement tab or flash on the LCD or LED. Once the grace period has expired, the meter will display the appropriate message or return to normal operation, including the expiration indicator for enforcement.
- 4.13.3. Meter holidays for free parking and/or no pay periods.
- 4.14. Internal Timekeeping

4.14.1. The meter will have a 365-day calendar, real-time clock with backup capacitor/circuit to retain the day/date/time clock settings during battery replacement. The back-up power provides a minimum of 3 to 5 min to change the batteries without losing the clock settings.

4.14.2. The meter shall automatically recognize daylight savings time and be upgradeable for daylight savings adjustments.

4.14.3. Time of day clock is accurate to +/- 10 seconds per week. Clock shall resynchronize from the MS during a user settable interval, which shall be set using a user settable atomic clock website.

4.14.4. The time of day clock is unaffected by the selection of standard or multi-rate operation. It remains in continuous operation.

4.14.5. The meter uses the time of day clock for scheduled events, including but not limited to, rate changes, message displays, and self-diagnostics.

4.14.6. Internal display timers are designed to ensure that a customer receives all of the displayed paid parking time. If the display shows 20 minutes after the last coin/card transaction, the customer will never get less than the displayed time. (Rates that provide less than 1 minute of time.)

4.15. At least 4MB of non-volatile flash memory available in each meter.

4.16. Revenue Audit Capabilities

4.16.1. Maintains a count of each type of valid coin, token, credit card and amount used and stores each type of information or transmits it for storage at the MS.

4.16.2. Maintains a count of each type of invalid coin, token, credit card and amount used and stores each type of information or transmits it for storage at the MS.

4.16.3. Coin counts totals will be accurate to within the limits of accepted industry specifications, generally recognized to be 95%.

4.16.4. Resetting the meter or other functions that can be carried out in the field will not affect financial audit data.

4.16.5. When making collection a contactless management card shall be presented at the meter which will generate a collections report at the meter and which will be reported to the MS and establish the collected revenue from the individual meter vault.

4.17. Transfer of Data

4.17.1. Average rate of data transmittal is 4800 bits per second.

4.18. Coin Check During Maintenance

4.18.1. Meter shall have a feature that temporarily disables the recording of cash totals to allow audit data test purchases by coin without being recorded in the audit data.

4.18.2. Once there has been no coin activity for a user settable time period, the registering of coins is enabled automatically. Once meter testing is complete, the meter will revert back to normal operation without further operator intervention or commands and shall reset to zero.

4.19. Maintenance

4.19.1. Maintenance reminders may be manually entered into the MS with a user settable recurring timetable. Reminders will generate automatic notification via email or reports informing staff of the maintenance tasks.

4.19.1.1. Maintenance performed on the meter may be manually entered into the MS for a record log.

4.19.1.2. Events such as Coin Jams, Card Reader Blockages and Low Battery conditions will be transmitted through the Management System.

4.19.1.3. The meters should be kept clean with mild soap and water on the outside.

4.19.1.4. Compressed air may be used to keep the card reader and coin acceptor clear of dust and debris.

4.19.1.5. The card reader heads shall be cleaned with a cleaning card/tape every 2 months to ensure optimum performance of the card reader.

4.19.2. Please specify the life expectancy of the primary parts within the meter mechanism. These specifications shall not limit nor relieve the Contractor of the warranty obligations set forth herein.

4.19.2.1. Card Acceptor – 20,000 insertions

4.19.2.2. Coin Acceptor – 100,000 coins

4.19.2.3. Main Controller Board – 10,000 hours MTBF

4.19.2.4. LCD – 10,000 hours MTBF

4.20. Modular Components

4.20.1. The meter will consist of modular components that can be separated for repair and/or replacement.

4.20.2. The screws can be removed using a single tool. If this is not a standard tool of the current meter shop, a minimum of one (1) tool per technician plus two (2) spares shall be provided.

4.20.3. While the wear and tear components can be replaced, the main board electronics remain covered and protected.

4.20.4. All components shall be interchangeable between meters.

5. SYSTEM MANAGEMENT

5.1. City's Rights

5.1.1. City shall maintain ownership rights of all data gathered, collected, stored and destroyed.

5.1.2. Contractor shall obtain written permission from City before providing, sharing, showing, demonstrating, or otherwise using the City's data except as provided herein.

5.1.2.1. It is understood that the City of Beverly Hills shall be a “showcase“ site and City’s shall not unreasonably withhold this permission for the Contractors use for these purposes.

5.1.3. The City shall have access to the data at all times using the Contractor’s software applications or by any other means provided by Contractor. Contractor shall never prevent the City from accessing the data using the Contractor’s applications or by other means.

5.1.4. In the event of any discontinuation of services or separation, for any reason or for no reason, the Contractor shall provide City (at no cost) with all data in form, which can be viewed or exported using a non-proprietary application.

5.1.5. In the event any dispute should arise regarding the City’s right to the use of the Contractor’s hosting services, or the Contractor desires to limit or discontinue any service being provided, the Contractor shall provide the City with a minimum of 1 years notice before taking any restrictive action, including termination or ceasing to provide hosting services.

5.1.5.1. If after the installation of the parking meters, Contractor determines that it is unable to provide the services required under this agreement (i.e. hosting, MS, etc.), City shall have the right to purchase, at a pre-negotiated price, a full turn-key system to operate on-site the parking meters and the MS system and any related components in the same manner in which the contractor has been operating the most current system.

5.1.6. The Contractor shall not subcontract, sell, or assign any of these provided services without written consent of the City.

5.1.7. City shall have the right to physically audit the premises in which any portion of this agreement is being carried out. For example, City may physically inspect and audit the premises where the servers and hosting equipment is maintained.

5.1.8. City may choose to discontinue real-time monitoring and wireless connectivity of any single or group of meters at any time for any reason or no reason without penalty.

5.1.8.1. City may choose, without penalty, to reinstate the real-time monitoring and wireless connectivity of any single or group of meters at any time for any reason or no reason.

5.1.8.2. Meters without real-time monitoring shall buffer information which may be gathered by other means and incorporated into the MS.

5.1.8.2.1. All audit, maintenance, and other functional reporting shall be maintained via infrared or the Contactless RF communication system.

5.1.8.2.2. It is understood that real-time reporting and notification will not be possible without real-time connectivity.

5.1.8.3. Infrared or Contactless RF data collection shall mean the extraction of the data from the meter using one these technologies.

5.1.8.3.1. A handheld computer shall be needed to store the collected information and transmit to the MS.

5.1.8.3.2. The handheld will have wireless communications to connect to the MS.

5.1.8.3.2.1. Wireless communication services for the handheld will be the responsibility of the City.

5.1.8.4. An audit pertaining to the monies collected through the meters can only be performed on the MS. City shall have the right to request such audit from Contractor at no cost to City.

5.1.8.4.1. Data has to be manually collected from the meters that do not have wireless connectivity and then downloaded into the MS. City shall conduct such activity.

5.2. General Specifications

5.2.1. These specifications shall be in addition to those contained in Section 3.

5.2.2. Contractor shall host all features, functions, hardware, and software necessary for operation.

5.2.3. Contractor shall be responsible for managing all connectivity from the meter to the MS via the wireless network.

5.2.4. Contractor shall be responsible for all data integrity and shall submit, for approval by the City, a plan for data backup and restoration in the event of system failure.

5.2.5. Contractor shall maintain and operating run-time of 99%.

5.2.6. Contractor shall conform to all federal, state, and local laws that are applicable to this type of service agreement.

5.2.7. Contractor shall be responsible for all compliance with industry specific standards, such as credit cards, merchant services, and other service providers.

5.2.7.1. This shall include PCI and CISP credit card compliance as outlined by the credit card industry. These standards shall be maintained in software/hardware upgrades.

5.2.8. All information detailed herein shall be accessible for viewing, reporting, and programming.

5.2.9. City shall have access to the MS and any other related software related to the parking meters via the internet from any PC using a standard operating system and web browsing application.

5.2.10. All functions, programming, and reports shall be menu driven, utilizing a generally accepted standard user interfaces.

5.2.11. City shall be able to export all reports for use in Excel or other compatible format.

5.2.12. Contractor shall provide the City to access of the most up to date version of the management system, which has been thoroughly tested and is free from bugs. Under no circumstances shall City be a beta site for Contractor to test equipment, software or hardware.

5.2.12.1. Upon request, the City may be put back to a previous version if operating problems should arise with any new version or conversion at no cost to City.

5.2.13. Contractor to provide City with access to historical data for at least five years via the standard system.

5.2.13.1. At no time may data be destroyed without the City's express permission.

5.2.13.2. Contractor will provide City with access to historical data greater than five years old within one week of the City's request. This may be on a separate system, but will be accessible in the same manner and format as the current data.

5.2.14. All report printouts shall have column and row headings in either full English, or clear abbreviations of English.

5.2.15. Contractor will provide training to City staff for operation of the services set forth in this Agreement, including maintenance of the meters and operation of the MS system. Training shall be provided to City at the times and dates requested by City.

5.2.16. Contractor will either provide customized reports or provide access to City and provide assistance to City to create customized reports.

5.3. MS and Remote Messaging/Notification

5.3.1. It is understood by the City that only those meters with real-time monitoring functionality can support remote messaging and notification.

5.3.1.1. Meters the City chooses to operate in off-line mode shall be capable of manual data collection via the infrared or contactless RF communications and manually update the MS system.

5.3.1.1.1. All information gathered in this manner shall be incorporated into the storage and reporting functions of the MS.

5.3.2. System shall be capable of creating message notification via email or SMS messaging for each individual user settable fault.

5.3.3. Each fault or message shall be user settable related to whom the message is sent to and what type of device/address.

5.3.3.1. This may be a single individual or multiple individuals and may include both text and email addresses.

5.3.3.2. The address list may be different for each fault, such that a maintenance fault may go directly to the meter technician and supervisor and a revenue fault may go to Finance and/or a manager, or any other combination created by the City.

5.3.4. Messages/logs shall include, at a minimum, but not be limited to the following:

- 5.3.4.1. Communication failure/restored
- 5.3.4.2. Coin and/or card jam
- 5.3.4.3. Meter vault full/nearing full (user settable value)
- 5.3.4.4. Low battery
- 5.3.4.5. Self-diagnostic failure
- 5.3.4.6. Credit card attempted purchase past time limit
- 5.3.4.7. Collection made
- 5.3.4.8. Time added by staff
 - 5.3.4.8.1. Method of added time
 - 5.3.4.8.2. Amount of time added
- 5.3.4.9. Meter cleared and/or reset
- 5.3.4.10. Service mode(s) entered/exited
- 5.3.4.11. Low lighting levels or solar charging power levels (looking for a leading indicator of low battery troubles)
- 5.3.4.12. Low battery
- 5.3.4.13. Valid and invalid coins/objects
- 5.3.4.14. Received new programming (failure list available too)

- 5.3.4.15. Meter Expired
 - 5.3.4.15.1. w/"hockey puck" meter occupied/unoccupied and paid/non-paid
- 5.3.4.16. Vault emptied
 - 5.3.4.16.1. Denominations and total amounts
 - 5.3.4.16.2. Sortable/drill down by route and individual meter
- 5.3.5. All logs can be read, printed, reported, and remote messaged via the MS.
- 5.3.6. The MS shall be able to program the meter mechanisms with all user settable information contained in this specification.
- 5.3.7. MS shall record the individual meter GPS location and display all identification numbers associated with the individual locations.
 - 5.3.7.1. The GPS coordinates of each pole is manually entered into the MS. This is only necessary when pole is installed or removed.
 - 5.3.7.2. Contractor and City shall each perform one of the following tasks. City has discretion to determine which task it desires to perform.
 - 5.3.7.2.1. Mark each GPS location of each pole.
 - 5.3.7.2.2. Enter each pole GPS location into the MS.
- 5.3.8. MS system may be capable of notifying customers of soon to be expired meters via text message or email provided the meters are wirelessly connected to the MS and the customer paid by cell phone.
 - 5.3.8.1. Pay-by-cell phone requires an additional interactive voice recognition system to register the cell phone and payment method that is not included in this installation.
 - 5.3.8.2. System shall be capable of incorporating the pay-by-cell system.

5.3.8.3. MS shall maintain a GIS display of individual meter location and display all identification numbers associated with the individual locations.

5.3.8.4. MS system may be capable of notifying customers of soon to be expired meters via text message or email.

5.3.9. User settable to turn on/off individual message system.

5.4. System Security: Passwords

5.4.1. Security shall be provided for each of the following functions, independently:

5.4.1.1. Printing or viewing of transaction data and/or reports

5.4.1.2. Accessing or editing any device programming

5.4.1.3. Accessing or editing system configuration parameters

5.4.1.4. Accessing system user database and passwords

5.4.2. System security passwords shall be configurable by an authorized system user only.

5.4.3. All password security shall have a corresponding record file, and shall create an audit trail of each user's use of the software system, including those of the contractor.

5.5. System Security: Data Integrity

5.5.1. Under no circumstances shall the stored raw transaction detail, summarized report audit data or non-resettable audit numbers generated by the parking devices be available for editing using the system application program.

5.5.2. Any raw data files that may be stored in industry standard DOS/ASCII or standard PC Windows or Database formats as part of the system application software shall be encrypted to prevent casual user manipulation.

5.5.3. It shall not be possible to simply power up the central system, interrupt a "batch" program boot sequence with the keyboard (using standard Ctrl/Break keystrokes) and edit the audit data using a widely available text editor or database application program.

5.5.4. Notwithstanding all of the above, it is recognized that no computer system is totally secure, and that each level of security comes at a price to the end user. It is the intent of this section to provide, at minimum, a first level of security only, to prevent a casual PC novice from hacking his or her way into the audit data.

5.6. System Security - System Activity Logs

5.6.1. The software shall provide an activity log of all user sign on and sign off activity on the system.

5.6.2. All system activity log entries shall include a time and date stamp, along with the system number and user ID.

5.7. City Management Staff shall be able to:

5.7.1. Program meter profiles

5.7.2. Set up collection and maintenance routes

5.7.3. Set up rates and day/time of operations

5.7.4. Set up all specified user definable settings.

5.7.5. Review all data uploaded from the MS

5.7.6. Administrator and password protection to restrict individual user access to read, write, or read/write capabilities for each function.

5.7.7. Generate "canned" and user definable reports

5.7.8. Meter inventory, maintenance, and collection information.

- 5.8. City Maintenance Staff
 - 5.8.1. Collect, record and report maintenance data.
 - 5.8.2. Upload and download meter profiles.
 - 5.8.3. Generate, record, review and report and produce work orders
 - 5.8.3.1. Ability to sort by open and completed status.
 - 5.8.4. Test and record time keeping functions of equipment
 - 5.8.5. Ability to create, check, and close work orders
- 5.9. City Parking Enforcement
 - 5.9.1. Ability to create, check, and close work orders
 - 5.9.2. Review and report maintenance transactions.
 - 5.9.3. Generate maintenance reports
 - 5.9.4. Test time keeping function of equipment.
- 5.10. Revenue Control
 - 5.10.1. Ability to check by meter, pole, and/or route number.
 - 5.10.2. Ability to check if individual meter was paid/not paid at specific date/time.
 - 5.10.3. Ability to review coin deposited by time, date, and denomination.
 - 5.10.4. Time, date, amount and denominations of individual and aggregate collections.

6. METER HOUSINGS

6.1. Upper Housing

6.1.1. The cap will be constructed of a die cast zinc alloy.

6.1.2. The upper housing cap interlocks with the upper housing to ensure a tight fit when in the locked position. The cap, when in place, overlaps the raised edge on the main upper housing and is prevented from releasing by a steel locking bar. This shall be water resistant to the extent needed to ensure water is unable to disable the meter.

6.1.3. The strength of the cap and the upper housing interlocking members and tolerances of fit between the upper housing and the cap are sufficient to prevent entry into the upper housing by means of wedges, or prying.

6.1.4. Access to the upper housing does not allow access to the vault or lower housing. The upper housing lock is keyed to a distinct lock that cannot be used to open the vault lock.

6.2. Viewing Dome

6.2.1. The housing will contain a one-piece, high-visibility, flat-face-style viewing dome made of high impact polycarbonate material.

6.2.2. The viewing dome shall protect the meter mechanism from rain and weather.

6.2.3. If condensation limits visibility and/or leads to meter failure in 5 (five) percent of the meters for 25% of an operational day and/or three months of an operational year, the Contractor shall provide engineering and labor services to correct the problem.

6.3. Labels

6.3.1. Six (6) labels/decals will be provided to the City.

6.3.1.1. Visa/MC (Discover/AMEX) meter rear

- 6.3.1.2. Card Entry Slot
- 6.3.1.3. Small Visa/MC (Discover AMEX) meter front
- 6.3.1.4. Coin Entry Area
- 6.3.1.5. Vault Decal
- 6.3.1.6. City Optional Extra Decal
- 6.3.2. The City will provide the text/graphics for this label.
- 6.3.3. The label will be attached using a proven adhesive.

7. WARRANTY & SERVICE

7.1. General

7.1.1. Contractor shall warrant the equipment and system for materials and workmanship for a period of five (5) years from the date of substantial installation and operation at no cost to City as set forth herein.

7.1.2. Escalation of Service

7.1.2.1. Level 1 - First line service shall be conducted by City personal to the level of their knowledge and expertise. At such time the City personal need additional assistance they shall proceed to level 2.

7.1.2.2. Level 2 – Help desk assistance shall be available between 8:30 a.m. and 5 p.m. Pacific Time. An after-hours number shall be available in which a help desk provider shall respond within 60 minutes of the initial contact. If the situation cannot be remedied it shall be escalated to level 3.

7.1.2.3. Level 3 – Equipment shall be removed from the field by City personal for bench work at the city or sent to the Contractor for additional service.

7.1.2.4. Level 4 – If several meters are experiencing the same difficulty or failure, such that bench work at the City or shipment to the contractor is not practical, the Contractor shall respond on-site to remedy the situation as part of the warranty provided to City.

7.2. Warranty Response Time

7.2.1. Contractor shall maintain an “on-time” inventory of parts to affect immediate shipping of the specified equipment and/or parts.

7.2.2. Contractor shall repair or replace all defective or damaged items delivered under this specification within seven (7) days following the day on which notice was given by City or its agent.

7.2.2.1. Contractor shall repair or replaced all critical parts/failures that are defective or damaged by the next calendar day.

7.2.3. If the contractor is not able to fulfill this obligation in the prescribed response time, the CITY may affect repairs. Contractor shall then reimburse CITY for all parts and labor necessary to correct the deficiencies as defined within the warranty clause and identify the types of repair each trained individual is qualified to perform after training of owner personnel. Such qualified action by CITY shall not void any warranty.

7.3. Performance Warranty Repairs

7.3.1. CONTRACTOR shall maintain an “on-time” inventory of parts to effect immediate repairs of specified equipment.

7.3.2. CONTRACTOR may perform service, maintenance and repairs offsite. CITY may ship any parts that are in need of service or replacement.

7.3.2.1. Shipping costs associated with warranty work shall be paid by the Contractor.

7.3.3. If the Contractor performs any work on-site, the contractor shall check-in with the City’s representative immediately upon arriving at the City and prior to performing any work.

7.3.4. Contractor shall submit a copy of a work order detailing the service performed to CITY following completion of each repair, replacement or preventive maintenance.

7.3.5. Contractor shall pre-qualify appropriate CITY personnel to effect repairs and identify types of repair each trained individual is qualified to perform, after training of owner personnel. Such qualified action by CITY shall not void any warranties.

7.4. Limitations of Warranty

7.4.1. Warranty shall not cover acts of vandalism, damage caused by third party, or natural phenomena or aesthetics which do not impede functional applications.

7.4.2. Warranty coverage shall not include preventative maintenance work such as washing meters, cleaning with compressed air, or card /coin reader cleaning or any labor necessary to perform level 1 service.

7.4.3. The CITY may, at its sole discretion discontinue any future or extended service/maintenance contracts at anytime. If at some future date the City wishes to reinstate the service/maintenance contract the vendor must do so without back charging to the point the contract was terminated. The price for the contract will remain as quoted, but only through the original termination date.

7.4.4. City shall adhere to the preventative maintenance standards for the credit card readers and meters as contained herein.

8. OTHER REQUIREMENTS

8.1. Quality Assurance

8.1.1. Installation Observations

8.1.1.1. The City or their designees may observe installation work at any time during progress of Work.

8.1.2. Authorized Manufacturer's Representative

8.1.2.1. Contractor and/or Installer shall present evidence of training and certification by the Manufacturer of each product to install, test, operate, and service the product

and will insure that no factory warranties are voided by improper or unauthorized actions by Contractor and/or Installer.

8.2. Product Data

8.2.1.1. List the manufacturer of each primary component of the system and provide cut sheets and/or data on operating equipment, characteristics and limitations, operating temperature ranges, and all related information.

8.2.2. List of sub contractors

8.2.2.1. Identify the nature of the work that will be performed by each. Successful Proposer shall be required to submit evidence of Waiver of Lien prior to final payment, if sub-contractors are used.

8.2.3. Responsibilities of Contractor

8.2.3.1. Accept Sole Responsibility for the product and system that the Contractor provides.

8.2.3.2. It is the Contractor's sole responsibility to provide all products and services necessary for a complete and functioning system.

8.2.3.3. Provide the Single-Space Parking Meters as defined by and implied by the Contract Documents and generally accepted industry standards.

8.2.3.4. Provide all equipment, software, components and materials to comply with the functional system requirements set forth herein.

8.2.3.5. Provide labor, equipment, and materials necessary to deliver a complete system with the functional system specifications as set forth herein.

8.2.3.6. Provide all necessary labor, equipment and materials and training to maintain and guarantee the work provided herein pursuant to this Agreement.

8.2.3.7. Provide all necessary labor and materials to train personnel in the use, maintenance and management of the Single Space Parking Meters, all support equipment and software to comply with the industry standards and this Agreement.

8.2.3.8. Provide all necessary project supervision, coordination, and inspection, including clean-up, punch list, and corrections, to comply with industry standards and this Agreement.

8.2.4. Meet Testing Requirements

8.2.4.1. Contractor shall certify manufacturer's assurances of quality according to any cut sheets or product detail supplied, as it relates to types of materials used, manufacturing means and methods, and suitability of purpose.

8.2.4.2. Provide all necessary functional demonstrations and acceptance testing to comply with the functional specifications as defined by the manufacturer and that the parking meters shall function for the purposes intended by the City.

8.2.5. Meet Regulatory Requirements

8.2.5.1. Products requiring electrical connection shall be listed and classified by Underwriters' Laboratories, Inc., as suitable for the purpose specified and indicated.

8.2.5.2. Be certain that all functional requirements, as described herein, can be met with equipment specified and provided.

8.2.6. Coordination

8.2.6.1. Coordinate work with others under provisions of City Guidelines, as adopted by the Director of Parking Operations from time to time.

9. SPARE PARTS AND CONSUMABLES

9.1. Contractor recommends the City keep the following on-time inventory of spare parts for every 1,000 meters in service as follows:

9.1.1. Complete Spare Mechanisms – 25

9.1.2. Batteries – 25

9.1.3. Domes/Caps – 25

9.1.4. Set of Decals – 50

10. SURVIVING CLAUSES

10.1. Compliance with Scope

10.1.1. Any versions of equipment or software which are released and provide a patch or fix to a requirement herein not previously met shall be provided at no cost to the City.

EXHIBIT B-1

UNIT COSTS

11. PURCHASE AND PRICING

11.1. Additional Purchase Terms

11.1.1. Initial Purchase

11.1.1.1. This agreement shall constitute an order for 125 meters at Three Hundred and Ninety Five Dollars (\$395) per unit and the Contractor will invoice the city in an amount not to exceed Forty Nine Thousand Three Hundred and Seventy Five (\$ 49,375).

11.1.1.2. Contractor shall deliver to the City an additional Thirty Five (35) units for use as spare meters.

11.1.1.3. City may elect to purchase these 35 additional units, at the sole discretion of the City Council, at Three Hundred and Ninety Five Dollars (\$395) per meter in an amount not to exceed Thirteen Thousand Eight Hundred and Twenty Five Dollars (\$13,825).

11.1.1.5. If the City does not elect to purchase these 35 additional units, City shall return them to the Contractor and shall incur no additional costs.

11.1.2. Future Purchases

11.1.2.1. All purchases within 12 months from the date of initial purchase shall be at the prices contained herein. However, the City is not obligated to make any future purchases.

11.1.2.2. All purchases 12 months after the initial purchase shall be guaranteed at no greater than the prices contained herein, compounded by the annual CPI, but no greater than 3% OR at 25% off the lowest published retail value of the equipment based on the most recent, lowest published price list, whichever is lower. To obtain these prices, an order must be for a minimum order quantity of Two Thousand Units (2,000) for delivery in the first six (6) months of calendar year 2009. Any such purchase is subject to the approval of the City Council and subject to the continued operation of the parking meters without significant malfunctions.

11.1.2.3. In the event of a price decline, or should contractor at any time, during the life of the parking meters, provide the same or similar materials or service to another

agency, regardless of quantity, at prices lower than being paid by the City, the contractor will immediately extend such lower prices to the City of Beverly Hills without demand. Such pricing shall include, but not be limited to all hardware, software and services such as hosting fees, communication fees within the same region and credit card fees when the same service provider is used. For example, if Contractor provides the parking meters to X for \$300, the same pricing will be extended to the City. If Contractor provides credit card processing to X for .05 cents a transaction, the same pricing shall be provided to City at its next invoice.

11.2. Meter Units

11.2.1. Per Meter Package - \$395 per package

11.2.2. Meter cap - \$60 per unit for all configurations

11.2.2.1. Understanding that the City may be replacing its model 80 meter housing inventory with model 90 housings, Contractor shall provide City with a guaranteed buy back rate for the model 80 meter cap at the following rates:

11.2.2.1.1. Year 1 - \$50

11.2.2.1.2. Year 2 - \$40

11.2.2.1.3. Year 3 - \$30

11.2.2.1.4. Year 4 - \$20

11.2.2.1.5. Year 5 - \$10

11.3. MS Services

11.3.1. The fees listed herein shall constitute all fees the contractor may assess the City for the delivery of the services referenced herein.

11.3.2. MS fees shall apply only to those meters in service, and shall not be charged for spare meter inventory.

11.3.2.1 A license agreement for the use of the EM software, and any other software provided by Contractor, shall be provided to City at no cost.

11.3.3. Credit Card Processing - \$0.10 Per Transaction

11.3.4. Secure Wireless Gateway - \$2.90 Per meter Per Month

11.3.5. MS Service Fee - \$1.90 Per Meter Per Month

11.3.5.1. Total annual cap for all MS fees, excluding Credit Card transaction fees of Forty Six Thousand \$46,000 per year.

11.3.5.2. Alternatively the City may purchase the MS Software package for a One-Time Capital Cost of Ninety Thousand Dollars (\$90,000) and an on going monthly Software License Fee of Ninety Cents (\$0.90) per installed meter. If Contractor determines after providing the parking meters to the City that it is unable to provide the services set forth in this Agreement to City to host and/or properly run the parking meters for its intended use by the City due to bankruptcy, closure of its business, sale of its business or some other similar event, then Contractor shall provide the EM Software package and associated software and hardware to City at no cost.

11.3.5.2.1. City shall own all hardware and all third party licenses for software operations.

11.3.5.2.1.1. City shall not own source code. However, Contractor shall provide a non-exclusive perpetual license to City in the event Contractor does not provide the services as set forth herein.

11.3.5.2.2. Contractor shall provide all management, maintenance, improvements, upgrades, and all third party equipment/hardware/software issues other services needed to provide continual access and on-going operations to the City.

11.3.5.2.3. Contractor shall physically deliver, install and commission the MS and ensure system is operating in conformance with the specifications contained herein.

11.3.5.2.3.1. City shall provide the server hardware needed to receive this installation and configuration.

11.3.5.2.3.2 Contractor shall provide all source codes, design configurations, engineering and other documentation in a form readable by the City in escrow, which shall be held for the life of the City's installation. In the event the Contractor is unwilling or unable to perform the duties set forth herein, these documents shall be released to the City and may be used in any way the City deems appropriate to continue operations. Contractor shall provide any licenses or other legal documentation to effectuate this section.

11.3.5.3. City will establish the average revenue per meter Citywide. This will be recalculated on a quarterly basis upon installation of Contractor's meter. If the new calculation does not exceed the baseline by the total added cost of the Secure Wireless Gateway and MS Service fees, the City shall only pay the difference between this fee and the increase in the new revenues. The remaining fee shall be forgiven in perpetuity by Contractor.

11.4. SPARE PARTS

11.4.1. Spare parts shall have the same service life warranty as stated in the warranty section contained herein.

11.4.2. Coin Acceptor - \$55 per unit

11.4.3. Batteries - \$25 per unit

11.4.3.1. 48 month service life

11.4.4. Domes/Caps - \$60 per unit

11.4.5. Set of Six (6) Decals - \$20 per set

11.4.6. Hockey Puck - \$65 per unit

11.4.6.1. 48 month service life

11.4.7. Fully operational infrared handheld computer with software for off-line operations - \$2000 per unit.