



## AGENDA REPORT

**Meeting Date:** February 17, 2015  
**Item Number:** D-13  
**To:** Honorable Mayor & City Council  
**From:** Chad Lynn, Assistant Director of Public Works Services  
**Subject:** AMENDMENT NO. 2 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND IPS GROUP, INC. TO PROVIDE FLEXIPAY SINGLE-SPACE PARKING METERS; AND  
  
APPROVAL OF A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$2,000,000 TO IPS GROUP, INC.

**Attachments:** 1. Agreement

---

### **RECOMMENDATION**

Staff recommends that the City Council move to approve Amendment #2 to an agreement between the City of Beverly Hills and IPS Group, Inc. for the replacement of single-space and multi-space parking meters and pay-stations for use in the City's on and off-street parking operations and approve a Change Purchase Order in the amount of \$2,000,000.

### **INTRODUCTION**

The City of Beverly Hills operates approximately 2700 on-street parking meters. In the summer of 2007, the City entered into a joint program with I.P.S. Group, Inc. (IPS) and the City of West Hollywood to pilot the first generation of an emerging technology related to solar powered, single-space, credit card, parking meters. This equipment provided all of the features and functions of a standard single-space parking meter in addition to allowing credit card payments, programmable messages and real-time communications/notifications. The program started with twelve parking meters being installed on the east side of the 300 block of N. Canon Drive.

After several 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 improved communications and the customer interface and upon installation on Civic Center Drive credit card usage accounted for almost 50% of the revenues immediately.

Based on customer satisfaction and improved performance of the equipment during this expanded pilot program, the City's entire meter inventory was converted to this new product. After conducting a formal Request for Information (RFI), it was determined that IPS was the only vendor capable of offering the hardware and on-going hosting and communication services necessary convert and support a credit card parking meter system.

In February 2009, the City entered into a multi-year agreement with IPS to convert the City's entire inventory of single-space parking meters, deploying the third generation of this technology citywide. Since the City of Beverly Hills was one of the first cities in the United States to pilot this technology and again one of the first cities to convert its entire inventory of meters, it was envisioned that the City would become a 'showcase' for this technology. In consideration of these circumstances, the City was able to negotiate favorable pricing terms within that agreement that were not, and are still not, standard throughout the industry. The initial term of the agreement expired in June 2014. It has been extended for one year to June 2015 and the City Manager may extend the agreement for a second year, until June 2016.

In 2010/11, after a phased conversion of the City's entire parking meter system, the City began to realize the benefits of these favorable terms, including an annual cap on the cost of all management system fees of \$46,000. During this same period, the City and IPS became engaged in a dispute as to the calculation and interpretation of 'all management system fees.' The City has paid fees based on its interpretation, which has resulted in a discount of approximately \$110,000 annually. However, IPS continues to maintain that the contract should be interpreted in a manner that would result in a discount of approximately \$16,000 annually.

Since receiving direction from the City Council in 2011, staff has been working with IPS to find a resolution. To date, IPS has been working in good faith with the City to find a solution and has continued to provide the services associated with the current agreement on an uninterrupted basis. In addition, as the initial term of the agreement has expired, and a limited time remains on the term of the agreement, including optional extensions, staff believes that the time is appropriate to update the agreement to address current technology, future needs and additional contract terms.

## **DISCUSSION**

Staff has worked with IPS to bring forward Amendment #2 to the current agreement to achieve the following:

- Resolves the fee cap dispute
- Ensure ongoing service to our community, including the use of credit cards
  - Improve the customer interface with the meter such as meter buttons, communication protocols and customer display
- Capture and utilize data from the parking system to improve the customer experience

- Publication of occupancy/vacancy information – potential integration with wayfinding
  - SmartRates, such as occupancy based pricing
- Provide a tiered transition over time from the current fees to standard industry fees

Amendment #2 of the agreement generally provides the following:

- Restates the current agreement with standard City terms
- Maintains the current agreement with the standard City terms
  - Extends the current agreement for five years to June 2020 and provides for three optional (City's sole discretion) 1 year extensions through June 2023 if all are exercised for a total for 8 years
- IPS shall provide a Waiver of Claims related to the dispute
- Upgrade of the City's current meter inventory from the 3<sup>rd</sup> generation unit to the 5<sup>th</sup> generation unit, the M5
- Provides for a new warranty period and fixed pricing for ongoing maintenance and extended warranty work
- Provides hardware options for Europay/MasterCard/Visa (EMV) compliance - credit card, chip embedded technology for security protocols
- Provides for a two-step, progressive fee increase over a 24 month period to transition fees to industry standard including removing the fee cap (specific fee changes are outlined in Fiscal Impact section)
- Establishes fixed pricing and escalation calculator for spare parts and add-on features, such as vehicle detection
- Provides retrofit pricing for non-IPS multi-space pay stations and fixed subscription fees
- Establishes protocols for integrations with third party service providers such as space counting/monitoring or occupancy publishing and wayfinding vendors
- Provides fixed pricing for the replacement of the existing meter key system to a high-security electronic key system

The agreement provides for the recapitalization of the current meter system, replacing the existing 2700 meters with the latest generation of meter technology, the recently launched M5. The City's current meter inventory has been in service since conversion in 2009. While the current meters are generally performing, the City is starting to experience increasing maintenance and service needs. The new generation provides significant improvements to the areas that generate the largest concerns for the City:

- Tactile Customer Interface Buttons
  - The new interface buttons are tactile push-buttons (replacing touch-sensitive buttons) which reduce misreads from customers pressing buttons with something other than their fingers (finger nails, stylus, etc.) and during inclement weather, which can increase misreads on the current touch-sensitive system
- Communications
  - Testing of M5 units have demonstrated connectivity in areas of the City that have been 'dark' or have had ongoing transmission issues which currently require data to be manually pushed to the host system
  - This system is also capable of more accurate connectivity and transmission of data between integrated devices, such as space monitoring systems and information pushed to the meter screen, such as special events or No Parking zone information

- Larger Display Screen
  - Without sacrificing battery life, the new units provide larger interface screens, allowing both larger message display and the display of more information for our customers
  - Information can include event information, no parking information, tow-away information, along with required information such as operational days/times and rates
- Solar Batteries
  - The current solar batteries are currently out of warranty service and are reaching the end of their useful life. Most units contain the original battery pack installed when the units deployed in 2009. Continued use of the current meter system will require system wide battery replacement. This requires the purchase of parts and the dedication of City employees to replace the batteries. This replacement does not extend the life of the meter unit or provide any enhanced or improved services.

While the current City agreement could be extended through June 2016, the current meter inventory warranty coverage is largely out of service. The City is currently paying \$80 per meter per service call for each meter in need of service, and as a per-unit customer, the City is low on the priority list for on-call services. At this time, IPS is operating in good faith by providing these services and has no contractual fixed price for these services or obligation to continue providing them. However, based on the turnaround time for meter service, and the number of meters that require service at this stage of the product life, there are times when the City has had more meters out of service than spare meters to ensure all metered spaces are in-service in the field. In some cases, as many as 75 meters have been out of service on the street while awaiting warranty service.

As credit card security becomes more stringent, the City will increasingly take on more risk and liability in the continued offering of credit card payment options. Regulations and specifications related to credit card security compliance are continually evolving, including the introduction of EMV compliance starting in October of 2015. It is not cost effective to retrofit the current technology in the field and the current agreement does not provide for the associated costs or components for such a retrofit. The new agreement provides fixed pricing and the opportunity to upgrade the new generation of meters to EMV compliance if/when such an upgrade becomes mandatory and/or desired.

The recapitalization also addresses the aging meter housings and more specifically the aging key/security system which has been in place for over 30 years. Even with the large percentage of revenue being collected in the form of credit card payments, the City still collects, transports and deposits a significant amount of cash from the parking meter system. The only current physical form of security for this cash system is the original key system from the original housing installation in the 1980's. New security systems for parking meter systems include closed collection canisters; canisters which do not allow the collection personnel direct access to the money while engaged in the collection process. There are also intelligent cash carts which can provide real-time collection information in the field at the time of collection. There are also high security electronic key systems which provide electronic keys and locks that can be dynamically programmed to open only during certain days of the week or hours of the day. The key can be set to 'expire' so if it is lost or stolen, once it 'expires' it will no longer provide access to the meter system, unlike a physical key.

The current agreement does not specifically outline terms for integration with accessory systems and/or third party service providers. As the capacity and complexity of the parking technology market grows, so does the demand and availability of services the City is able to offer customers. The upgrade to the hardware and the new terms of the agreement provide for both add-on services, such as occupancy sensors and third party integrations, such as pay-by-cell and pushing data to third party service providers that can provide occupancy information and wayfinding. A combination of these systems may also drive intelligent parking solutions, such as occupancy based pricing, overpayment resetting or fixed-time for loading zones.

The amendment also provides for optional upgrades of other parking systems, such as the multi-space pay stations at the SM5 parking facilities. IPS offers an integrated multi-space pay station parking solution which utilizes the same hosting, processing and data warehousing as the single-space parking meter system. Unique to IPS, in addition to offering this system in a new form factor, they also provide this solution in a retrofit kit, which would allow the City to maintain the exterior shell and appearance of the current pay stations and internally retrofit the technology, communication systems, and back-end support services. This allows the City to leverage the useful life of the pay stations housing and structural elements well beyond the useful life of the internal technology and individual components. This will allow the City an option to upgrade the aging multi-space pay station technology at approximately one-third of the cost of replacement in a form factor that will be seamless to the customer; the insides will change, but the machine will look the same.

In general, the new agreement provides technology upgrades to the aging equipment that is nearing the end of its practical life<sup>1</sup>, allows for the expansion of new add-on technologies and third party integrations, resolves past disputes over the interpretation of the existing fee cap, and provides for a 24 month, tiered approach to bring the agreement to market based pricing.

## OPTIONS

The City could continue to operate under the current agreement through June 2015 and could potentially execute one addition optional extension through June 2016. Based on current turnaround times, the City will need to purchase additional units to ensure all on-street meters remain in service while meters that require repair or replacement are out for service. While minimal in comparison to recapitalization, the City will be making a small investment in capital to ensure enough inventory to maintain current operations.

While this does leverage the current favorable pricing terms for an additional sixteen months, it does not provide for upgrades or expanded services and would leave the long standing fee cap dispute unresolved. The City would also need to begin negotiating the post June 2016 agreement, which could include less favorable pricing than proposed as part of Amendment 2.

Based on the current pricing levels and without additional agreement terms, the vendor is not engaging or permitting additional services that are not specifically contracted. For instance, while the City is currently able to access historical data and real-time reports,

---

<sup>1</sup> Practical life represents the technology and interface capability of the equipment in comparison to the current market. This does not represent the useful life, which is the physical life the equipment could perform based on the current limitations.

we are currently unable to push this real-time data to third party system integrators to drive occupancy and wayfinding applications because the agreement does not specifically call for these services. The City is also unable to provide integrated pay-by-cell services or occupancy sensors. Essentially, anything that is not a specific performance requirement will be difficult to implement under the current agreement terms.

The City may also consider conducting a competitive process for a replacement product. While market competition has developed within the single-space parking meter market since the original pilot and installation of this system, IPS Group is still the largest and most comprehensive provider of these services. A switch to another service provider will require an extensive transition process that will have impacts throughout the parking system, including the adjudication of parking citations and will create a bifurcated record management within the parking system as competing systems are largely proprietary and related to hosting services.

While these systems function similarly in practice, there is a regional familiarity with these systems with IPS currently providing hardware and software services to neighboring Cities, including Los Angeles, West Hollywood, Santa Monica and many other small, medium, large and metropolitan cities throughout California and the United States. IPS is currently the only known provider that is capable of retrofitting the City's current off-street, multi-space parking pay-stations which will allow a customer experience closely related to the current system while assimilating the back end processing system into a single unified system.

Additionally, this solution leaves the current fee cap dispute unresolved. If the fee cap dispute is not resolved through these business negotiations, then there may be additional transactional costs to resolve that dispute. Finally, while there are protections in the current agreement related to maintaining current services, continuing for an additional 16 months under the current agreement without amendment may result in short or long-term service interruptions for the reasons discussed above.

## **FISCAL IMPACT**

Revenue from the City's single-space parking meter system has continued to increase since the installation of the credit card parking meters. Revenues prior to the installation of the credit card parking meters was \$3.4 million. The total current revenues from parking meter operations is \$5.8 million<sup>2</sup>.

Credit card usage at the meters continues to grow accounts for approximately three-quarters of the transactions. Individual credit card transactions are also generally two to three times the value of individual cash transactions.

The proposed upgrade and recapitalization of the meter system would require a one-time capital investment for 2700 meters at \$415 per meters. The price per meter is a discounted price of \$465 per meter and a credit of \$50 per meter to buy-back the current meter inventory. This one-time total cost is estimated at \$1,120,500.

---

<sup>2</sup> Current revenues include rate increases; however such increases were predicated on the ability of a meter to accept a card to ensure rates over \$1.00 per hour would not create a cash burden

One-time upgrades to meter housings, including electronic key systems, are estimated at \$415,000.

In addition to the one-time costs of upgrading the system, a 24 month tiered escalation to standard industry pricing for the ongoing hosting, communication and credit card transactions fees is proposed as follows:

Description <sup>3</sup>	Months 1-12	Months 13-24	Months 25+
Secure Payment Gateway fee per cc transaction fee	\$0.10 Per Transaction	\$0.115 Per Transaction	\$0.13 Per Transaction
MS license fee per meter/per month	\$3.00 Per Meter	\$3.50 Per Meter	\$3.75 Per Meter
Secure Wireless Data fee per meter/per month	\$2.00 Per Meter	\$2.00 Per Meter	\$2.00 Per Meter

Estimated annual cost of services based on 2700

Description <sup>4</sup>	Months 1-12	Months 13-24	Months 25+
Secure Payment Gateway fee per cc transaction fee <sup>5</sup>	\$234,000	\$296,100	\$304,200
MS license fee per meter/per month	\$97,200	\$113,400	\$121,500
Secure Wireless Data fee per meter/per month	\$64,800	\$64,800	\$64,800
<b>TOTAL</b>	<b>\$396,000.00</b>	<b>\$474,300.00</b>	<b>\$490,500.00</b>

If executed as recommended by staff, the cost of the project will be one-time costs of \$1,535,500 to upgrade meters and institute high security locks and aggregated ongoing costs of approximately \$3 million over the initial five year term of the agreement for hosting, communication, credit card processing and ongoing maintenance services.

The one-time capital costs for this project are currently budgeted in the Parking Services Fund 0810 as part of Capital Improvement Project 0911.

Ongoing costs for the first 12 months of operations are currently budgeted as part of the Parking Service Fund 810 within the Parking Operations operating budget. The operating budget will require an ongoing enhancement of \$100,000 per year for services after the first 12 months of operations under the new agreement and will be requested as part of the 2016/2017 fiscal year budgeting cycle.

Don Rhoads  
Finance Approval



George Chavez  
Approved By



Council will be advised if agreement is not signed by Tuesday.

<sup>3</sup> Descriptions of services reflect the proposed agreement descriptions

<sup>4</sup> Descriptions of services reflect the proposed agreement descriptions

<sup>5</sup> Based on 195,000 credit card transactions per month

# **Attachment 1**

AMENDMENT NO. 2 TO AN AGREEMENT BETWEEN THE  
CITY OF BEVERY HILLS AND IPS GROUP, INC. TO  
PROVIDE FLEXIPAY SINGLE-SPACE PARKING METERS

NAME OF CONTRACTOR: IPS Group Inc

RESPONSIBLE PRINCIPAL OF CONTRACTOR: David King, President

CONTRACTOR'S ADDRESS: 5601 Oberlin Drive, Suite 100  
San Diego, CA 92121

CITY'S ADDRESS: 345 Foothill Road  
Beverly Hills, CA 90210  
Attention: Chad Lynn, Assistant Director  
of Public Works

COMMENCEMENT DATE: March 1, 2015

TERMINATION DATE: June 30, 2020, unless extended pursuant  
to Section 2 of the Agreement

CONSIDERATION: Not to exceed \$1,800,000 for the total  
term of the Agreement in one-time fees  
based on the unit costs set forth in  
Exhibit B

Not to exceed \$750,000 on an annual  
basis for maintenance and operating fees

AMENDMENT NO. 2 TO AN AGREEMENT BETWEEN THE  
CITY OF BEVERLY HILLS AND IPS GROUP, INC. TO  
PROVIDE FLEXIPAY SINGLE-SPACE PARKING METERS

This Amendment No. 2 is to that certain Agreement, dated May 30, 2008, and identified as Contract No. 171-08, as amended by Amendment No. 1, dated February 17, 2009 (“Amendment No. 1”), and identified as Contract No. 63-109 (as amended, 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 FlexiPay single-space parking meters.

RECITALS

A. CITY and CONTRACTOR entered into the Agreement for FlexPay single-space parking meters.

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

C. CITY and CONTRACTOR desire to add Exhibit D to the Agreement releasing the City of all amounts exceeding an annual fee cap of \$46,000 that arose from services provided by CONTRACTOR pursuant to Sections 11.3.4, 11.3.5 and 11.3.5.1 of Exhibit B-1 of Amendment No. 1.

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

Section 1. Section 2 of the Agreement shall be amended and restated as follows:

Section 2. Time of Performance. CONTRACTOR shall perform the services on or by the Termination Date set forth above. The City Manager or his designee may extend the time of performance in writing for three additional one-year terms pursuant to the same terms and conditions of this Agreement.

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

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

Section 3. Exhibit D shall be added to the Agreement to read as attached hereto and incorporated here by this reference.

Section 4. Except as amended by this Agreement No. 2, the Agreement shall remain in full force and effect.

EXECUTED the \_\_\_\_ day of \_\_\_\_\_, 2015 at Beverly Hills, California.

CITY OF BEVERLY HILLS  
A Municipal Corporation

\_\_\_\_\_  
Lili Bosse  
Mayor of the City of Beverly Hills, California

ATTEST:

\_\_\_\_\_  
(SEAL)  
Byron Pope  
City Clerk

CONTRACTOR:  
I.P.S. GROUP, INC.

\_\_\_\_\_  
David W. King  
President & CEO

\_\_\_\_\_  
Chad P. Randall  
Chief Operating Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
Laurence S. Wiener  
City Attorney

APPROVED AS TO CONTENT:

---

Mahdi Aluzri  
Interim City Manager

---

George Chavez  
Director of Public Works and Transportation

---

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 2850 IPS Wireless, single-space, solar powered, credit card capable parking meters and related equipment upgrades and services. 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 upgrade existing single-space and multi-space parking meters (collectively "parking meters") which are capable of accepting and processing real-time credit card payment for the on-street parking areas within the City. The purpose of this document is to clarify and specify the requirements of the equipment and services offered by IPS Group, Inc. ("Contractor").

1.2 The City currently operates approximately 3,100 on-street parking meters and approximately 20 multi-space pay-stations in lots. 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 and off-street parking rates that achieve operating goals and provide greater customer convenience and keeping the system update to date with latest technology trends. 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.

1.3 Contractor will provide upgrades to the IPS FlexPay, wireless, single-space, solar powered, credit card capable parking meter for replacement of the City's current parking meters and retrofit kits to upgrade the City off-street parking pay-stations. Contractor shall also provide access to optional elements such as vehicle detection sensors and other items listed in attached exhibits to support the needs of the parking program.

#### **2. DEFINITIONS AND ABBREVIATIONS**

CITY shall mean the City of Beverly Hills.

CONTRACTOR shall mean the IPS Group, Incorporated.

LCD shall mean Liquid Crystal Display.

LED shall mean Light Emitting Diode.

MAINTENANCE OFFICE shall mean the City of Beverly Hills meter shop.

PARKING OFFICE shall mean the office of Parking Operations/Services.

PROJECT MANAGER shall mean the City Manager of Beverly Hills or his designee.

PC shall mean Personal Computer.

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.

HOUSING shall mean the protective covering for the meter mechanism and vault.

METER CAP, CAP OR DOME shall mean the protective covering used to cover the mechanism.

METER CARD ENTRY FACE PLATE shall mean the die cast component where the credit card slot and the user interface buttons are located and attaches directly to the meter mechanism.

VAULT SHALL be the area of the housing separated from the mechanism in which the cash revenues are collected and securely stored.

METER POLE or POLE shall mean the area in which the housing is mounted and connected to the street.

YOKE shall mean any and all parts needed to install and operate two space meters and/or housings on a single meter pole.

MS shall mean Management System software, provided by the contractor for the data gathering, storage and reporting of the parking meter information. This would include any license for use of the MS.

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.

USER PROGRAMMABLE or USER SETTABLE shall mean the settings can be changed from the MS and/or 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.

REMOTE MESSAGE shall mean a cell phone text message or email generated by the MS.

CUSTOMER shall mean the person parking and using the parking meter.

COMMUNICATION BOARD shall mean the PCBA (printed circuit board assembly) that controls the wireless methodology that enables the IPS Flexi Pay Meter to communicate with the IPS Management System (MS).

RFID shall mean the Radio Frequency Identification tag that is located inside the meter housing that is read by the meter mechanism.

GPS SHALL MEAN GLOBAL POSITIONING SYSTEM. GIS shall mean Geographic Information System. Both are used interchangeably and are meant to signify the Latitude and Longitude of a specific location. Such information shall be supplied by the City unless otherwise specified.

VEHICLE DETECTION SENSOR shall mean an in-ground wireless sensor to detect the presence and absence of a parked vehicle and shall communicate such information to the Single-Space Meter.

USER INTRERFACE BUTTONS shall mean the buttons used to increase, decrease, cancel or OK the credit card purchase.

SECURE PAYMENT GATEWAY shall be the secure credit card processing systems required to direct credit card information to the City designated merchant account provider.

SECURE WIRELESS DATA shall mean the cellular data required to transmit information and data securely to/from the Parking Meter.

### **3. GENERAL SPECIFICATIONS**

3.1 Contractor shall accept sole responsibility for the products and systems 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 and be functional and operational on June 1st at the meter mechanism.

3.9 Stored data remains unaffected at the meter mechanism 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 transmitted to the MS.

(a) 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. 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. In addition to electronic tagging, each modular component may 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 All products, services and components necessary to deliver the specifications contained herein shall be provided by the Contractor. This includes, but shall not be limited to, the hardware, software, MS services, wireless data services, secure payment gateway services, and any third party integrations necessary to facilitate integration, data gathering or communications.

3.13 All credit card services and functionality shall be offered in contact and/or contactless (as an option) platforms.

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

3.15 The Contractor will work with third party technology contractors at the direction of the City for the purposes of data integration (including but not limited to pay-by-cell services, parking guidance applications), which encompasses existing and future technologies that the City may utilize. For any integration efforts that require significant customization to pre-existing and commercially available integrations or new integrations that are in excess of 100 man-hours of programming time, the Contractor shall have the right to quote customized work based on any additional hardware and an engineering rate of \$150.00 per man-hour. Contractor shall also have the right to charge back to the City any additional fees charged to the Contractor by the 3rd party integration partner. City written authorization shall be required to proceed prior to incurring any additional costs.

3.16 The Contractor will work with 3rd party merchant services providers for the purposes of credit card integration via the IPS secure payment gateway at the direction of the City. IPS will maintain all required PCI and other mandated (legally required or industry standards) credit card industry certifications for the duration of this Agreement. For any integration efforts that require significant customization to pre-existing and commercially available integrations or new integrations that are in excess of 100 man-hours of programming time, the Contractor shall have the right to quote customized work based on an engineering rate of \$150.00 per man-hour. Contractor shall also have the right to charge back to the City any additional fees charged to the Contractor by the 3rd party integration partner. City written authorization shall be required to proceed prior to incurring any additional costs.

3.17 The Contractor will make available any software bug fixes at no additional charge to the City. However, any data costs associated with downloading software upgrades (not solely for the purpose of bug fixes or noncompliance with specifications) or software customizations (unique features designed to carry out City specific parking policies that require at least 100 man-hours of Contractor programming time) to parking meters may apply. The Contractor shall have the right to quote customized work based on an engineering rate of \$150.00 per man-hour and \$2.50 per meter for firmware data fees and require City written authorization to proceed prior to incurring any additional costs.

3.18 The City shall be fully responsible, at its own cost and expense, to provide and maintain a merchant account and associated merchant account services using a City designated third party provider.

3.19 The Contractor shall assist the City as necessary to make updates and changes to the City meter configurations based on the written direction of the City.

#### **4. METER MECHANISM**

##### **4.1 General Specifications:**

(a) Fully electronic meter mechanism with solid state semiconductor components.

(b) All meters will be new unless otherwise specified and agreed upon by the City.

(c) 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.

(d) Meters shall function under the environmental conditions found in Southern California, the County of Los Angeles, and the City of Beverly Hills, including but not limited to windblown dust, rain, and fog.

(e) Meter Housing. The meter 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. 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. 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. Contractor shall be responsible for any and all additional work and costs needed to fit any and all meters into the existing housings listed herein.

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

(i) Contact interface shall be via a serial data port as appropriate for the application. This is for internal purposes of the Contractor and not accessible by the City.

(ii) Contactless interface shall be via cellular or through the RF communication sub-system or as appropriate for the application.

(iii) Meter shall be capable of converting between cellular communications by using a PCBA specifically designed for GSM or CMDA wireless technologies. Contractor shall provide system-wide meter uptime of 99.0% or greater as calculated in the MS on a calendar month basis. For any individual meters that do not achieve this level, the Contractor shall work to actively resolve such issues.

(iv) IPS will be the sole provider of wireless connectivity using technologies selected solely at the discretion of IPS throughout the initial term of this agreement. IPS will provide wireless upgrades to achieve continued wireless connectivity via updates to the Meter Communications Board (if necessary) at no additional cost to the City throughout the term of this agreement. If City wishes to switch providers on a city-wide basis for reasons other than system performance related to meter connectivity, switching between networks after initial delivery may require the replacement of the communications board, at the pre-designated prices contained herein.

(v) Current configuration for delivery will be CDMA.

(vi) 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.

(g) 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.

(h) The meter mechanism is capable of supporting both coin and real time credit card operations. Meters shall be capable of accepting both contact and contactless (as an option) credit cards.

(i) Disabling of one payment method shall not prevent the other payment methods from functioning including contact and/or contactless credit card operations

(j) User settable messages shall be displayed informing customers of available payment methods as the operation requires. Messages shall change as available payment methods are activated or disabled.

(k) Any hardware part that requires individual repair services more than three (3) times during the warranty period in accordance with the terms and conditions of the product limited warranty shall be replaced at no additional cost to the City. All other warranty repair services shall be done so in accordance with the product limited warranty provided by the Contractor and included in Exhibit B-1.

## 4.2 Field Serviceability

(a) 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.

(i) 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.

(ii) 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.

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

(i) 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 or impact the coin collection or vault value auditing functions.

(ii) Meter shall have a method of adding time without affecting audit or other counting functions. This feature will be for the benefit of a meter user (such as when the City is performing meter maintenance), but will not impact the financial audit and will return to normal operation when the meter expires.

- The meter maintenance staff will be issued personalized maintenance credit cards which enable the maintenance staff to add time to a meter.
- Use of these cards is tracked through the MS.
- The individual cards can be enabled or disabled by a supervisor on the management system.
- Contractor shall provide these cards to the City at no additional fee.
- This shall be a function that is determined by the user level access profile and a lost/stolen card may be deactivated in the MS without the presence of the card.

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

(d) No special tools shall be required for field service.

(e) Self-diagnostics at the meter and via the MS.

### **4.3 Power Supply**

(a) A power management system utilizing both rechargeable and non-rechargeable batteries will be shipped installed into a fully functioning meter.

(b) The battery's service life shall be a minimum of 36 months with adequate (not including covered garages, overhead structures or trees that block more than 50% of all ambient sunlight) exposure to lighting and 12 months with no exposure to lighting before entering a low battery indication under normal operating conditions as defined below.

(i) All batteries not meeting this standard shall be repaired or replaced by the contractor at no cost to the City in accordance with the terms and conditions of the limited warranty terms provided in Exhibit B-1.

(ii) Batteries ability to achieve the standards above shall be for a period of no less than 36 months. The following operations are assumed:

- The meters will remain functional 24/7.
- Both front & rear LEDs will be functional during operation, and at all times when the meter is disabled.
- Front display will flash when meter is expired.
- Vehicle sensors and real-time features (such as real time sensor reporting and pay-by-cell) are not enabled.

(c) 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**

(a) User settable information shall be displayed from a high contrast LCD that decrements time remaining till expiration and actual time of expiration. This shall 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 and shall allow for at least 6 rows of text and 15 characters in each row. Each meter status shall have 2 rotating screens.

(b) The LCD display is capable of displaying user programmable alpha/numeric messages. Message shall dynamically change based on meter functionality conditions. The following is a list of the types of messages:

- (i) Standard Message
- (ii) No Payment Required Message
- (iii) No Parking Allowed Message

- (iv) Coin Jammed – Credit Card Only Message
  - (v) Credit Card Jammed – Coin Only Message
  - (vi) Time Restriction Violation (Meter Feeding)
  - (vii) Tow Away Zone
  - (viii) Special Event
  - (ix) User Settable Message(s) will have a minimum of 10 event driven additional messages which are no longer than 40 characters in length each.
  - (x) Graphical images as approved by the City.
- (c) 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.
- (d) Capable of showing cash values with proper symbols such as \$.
- (e) Rates and Hours of Operations Display – Meter shall be capable of displaying the rates, hours of operations, and maximum time limits, and shall be individually programmable for each meter.
- (f) Responsiveness of User Interface Buttons: User interface buttons shall be reasonably responsive in all types of weather (hot, cold, rain, and all other conditions found regionally). User interface buttons shall be reasonably responsive to any touch including but not limited to, finger points, finger pads, thumbs, and knuckles. If meters do not reasonably respond as stated herein, Contractor shall make all adjustments, at the direction of the City, and at no expense to the City.

#### **4.5 Front and Rear LED Operations**

- (a) Three (3) single color front and rear LED indicators.
  - (i) Red (flashing) to signify an expired meter
  - (ii) Red (non-flashing) to signify a disabled meter
  - (iii) Green to signify a paid meter
  - (iv) Yellow to be used for Out of Order
  - (v) No display during all other times

(b) User settable on / off and programming of the LED function including, but not limited to:

- (i) Rate/Frequency of flash
- (ii) Duration of illumination/flash
- (iii) Auto on/off function by time/day and/or date

#### **4.6 Meter Grouping**

(a) Each housing shall contain a “RFID tag” which can be used to identify the specific GPS location of the housing location and associated pole identification number. The GPS locations are provided by the City and not measured by the meter itself.

(b) Each mechanism shall communicate with the “RFID tag” to establish all programming associated with the mechanisms current location.

(i) Each mechanism shall communicate with the “RFID tag” and the MS to recognize and record mechanism changes.

(ii) Each mechanism and the MS shall be capable of maintaining an accurate vault count, regardless of the mechanism change.

(c) Grouping is user settable in the MS in multiple and overlapping layers will drill down capability.

(i) Groups may be established by zone, area, sub-area, pole, or can be further segmented by maintenance or collection routes as desired. Reports shall allow groups to be drilled down. Example: Total revenue for a zone can be drilled down to an area, then sub-area, then specific meter(s).

(ii) Groups may overlap such that a single meter is part of more than one group, for example maintenance groupings vs. collection groupings.

#### **4.7 Maintenance or Collection Groups**

(a) Maintenance or Collection Groups shall have the capacity to establish user programmable groups in the following manners:

- (i) By User Settable Grouping
- (ii) By Meter ID Number
- (iii) By Pole Number

#### **4.8 Mechanism Inventory**

(a) Each mechanism shall have a unique serial ID number. Each mechanism shall be programmable for the pole/location ID number.

#### **4.9 Coin Chute**

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

(b) Coin chute will operate in conditions found regionally, including but not limited to heat, cold, rain, fog and other common conditions.

(c) Coin chute is hot swappable without additional programming or coin training.

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

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

(ii) 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.

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

#### **4.10 Coin Acceptance & Discrimination**

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

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

(ii) Tokens are user settable by time or denomination value.

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

(i) Coin validators must be reprogrammed by the contractor and cannot be done via the MS.

(ii) Contractor shall provide this service in perpetuity at no cost to the City.

(iii) 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.

(c) All meters shall be capable of accepting the following coins upon delivery:

(i) US Dollar coin (Sacagawea or Susan B. Anthony)

(ii) Quarter

(iii) Dime

(iv) Nickel; and

(v) Penny

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

(e) 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.

(f) 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.

(g) 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.

(h) Moisture, grime, heat or cold will not affect the coin chute.

(i) 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**

(a) Moisture, grime, heat or cold shall not disable the card slot.

(b) The meter shall accept the following credit cards (VISA, MasterCard, American Express and Discover cards).

(i) The City is currently accepting American Express, VISA and MasterCard, but shall, at its sole discretion, be capable of adding the others (Discover or Diners Club) with no additional costs or equipment from contractor.

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

(d) The time/amount the meter defaults to upon insertion and removal of a credit card shall be user settable.

(i) Upon delivery, card insertion and removal time shall be set to default to the maximum for each meter time limit.

(e) Incrementing/Decrementing amount shall be user settable.

(i) Upon delivery, incrementing/decrementing amount shall be set at \$0.25.

(f) 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.

(g) 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.

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

(h) 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.

(i) Upon delivery, the meter shall be set to automatically process the credit card transaction.

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

(j) Settings for increments and minimums shall be made in either time or dollars.

(k) Cancellation of payment, whether automatic or manual, shall not affect previously deposited payments.

#### **4.12 Upgradeability**

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

(b) The meter shall be capable of connecting to a wireless "vehicle detection sensor" for real-time, true occupancy information.

(i) The "vehicle detection sensor" shall monitor and report to the meter the presence or absence of a properly parked vehicle. The vehicle detection sensor shall accurately detect and report each parked vehicle arrival and departure at a rate of no less than 95% as measured over the course of 100 parking events or one calendar month whichever is less.

A vehicle must be continuously stationary for at least 10 seconds to be considered parked. Sensor detection can be validated at each sensor installed by visual inspection of a meter display. The vehicle detection sensor shall communicate parking events and change in status wirelessly to meter and then to the server within two (2) minutes at least 85% of the time as measured on a monthly basis in the MS.

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

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

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

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

(vi) This feature may be upgraded to integrate with a future, dynamic way finding signage program which will direct customers to streets/facilities with available parking.

(vii) Ability to add time to the meter upon vehicle arrival

(viii) Implementation of real time meter/sensor reporting for the purposes of real time occupancy shall result in more frequent communications. Therefore, if this feature is enabled the meter battery's standard service life shall be understood to be for a minimum of 12 months. The meters shall be configured to automatically utilize power as efficiently as possible using the latest firmware.

#### **4.13 Rates and Grace Periods**

(a) The following time and rate features are user settable:

(i) Standard rate operation. Same rate all day, every day, 24/7.

(ii) Multi-rate options

- Time of day – up to 5 rates in a 24 hr period.
- Day of week – different rate and time limits by day.
- 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.
- Date specific, such as a user definable day for a special event, with a minimum of 15 dates.

- 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.)

(iii) Demand Management Pricing – With the “vehicle detection sensor” the system shall be capable of real-time monitoring and adjustment of rates based on total occupancy in a user settable zone.

(iv) Pre-payment during free or non-paid time. Purchase time is held in escrow until meter enters the operating period and expiry time will be visible on the meter display.

- The escrow period prior to operation periods shall be user programmable.

(v) Prevention of purchasing time into the next period if such period is a no parking period. A message shall display with this information.

(b) 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.

(c) Meter holidays for free parking and/or no pay periods.

#### **4.14 Internal Timekeeping**

(a) 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.

(b) The meter shall automatically recognize daylight savings time and be upgradeable for daylight savings adjustments.

(c) 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.

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

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

(f) 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 1MB of non-volatile flash memory available, or as necessary to implement the full scope of work, in each meter.

#### **4.16 Revenue Audit Capabilities**

(a) 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.

(b) 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.

(c) Coin counts totals will be accurate to within the limits of accepted industry specifications, generally recognized to be 98%.

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

(e) When making collection a collection card (mag stripe) 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**

(a) Data transmittal for this application shall utilize industry standard protocols for either GSM or CDMA cellular technology.

#### **4.18 Coin Check During Maintenance**

(a) 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.

(b) 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**

(a) 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.

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

(ii) Events such as Coin Jams, Card Reader Blockages and Low Battery conditions will be transmitted through the MS.

(iii) The meters should be kept clean with mild soap and water on the outside.

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

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

(b) 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.

(i) Card Acceptor – 20,000 insertions

(ii) Coin Acceptor – 100,000 coins

(iii) Main Controller Board – 10,000 hours MTBF

(iv) LCD – 10,000 hours MTBF

#### **4.20 Modular Components**

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

(b) 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.

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

(d) All components shall be interchangeable between meters.

### **5. SYSTEM MANAGEMENT**

#### **5.1 City's Rights**

(a) City shall maintain ownership rights of all data gathered, collected, stored and destroyed.

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

(c) 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 unreasonably prevent the City from accessing the data using the Contractor's applications or by other means.

(d) 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.

(e) In the event any dispute should arise regarding the City's right to the use of the Contractor's hosting services, or the Contractor shall 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 of ceasing to provide hosting services.

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

(g) 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.

(h) 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.

(i) City may also 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. It is understood that real-time reporting and notification will not be possible without real-time connectivity

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

(k) 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 the Contractor at no cost to City. Data has to be manually collected from the meters that do not have wireless connectivity and then downloaded into the MS. Contractor shall conduct such activity at no additional cost to the City.

## **5.2 General Specifications**

(a) These specifications shall be in addition to those contained in Section 3.

(b) Contractor shall host all features, functions, hardware, and software necessary for operation.

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

(d) 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.

(e) Contractor shall maintain a MS operating up-time of 99%.

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

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

(i) This shall include EMV (if EMV reader is optionally purchased), PCI-DSS and PA-DSS credit card compliance as outlined by the credit card industry. These standards shall be maintained in software/hardware upgrades.

(ii) The Contractor acknowledges its obligation to comply with mandated regulations/standards, however, the Contractor cannot foresee all changes to or newly issued regulations or standards. Therefore, if any hardware is required to be implemented in order to comply with such requirements, the Contractor shall have the right to provide a quote to the City in order to meet such requirements at the City's direction.

(h) All information detailed herein shall be accessible for viewing, reporting, and programming.

(i) 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.

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

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

(l) 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, unless otherwise agreed and approved in writing from the City.

(i) 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 the City.

(m) Contractor to provide City with access to historical data for at least five years via the standard system. This may take the form of 3 years of active historical data and 2 additional years via archive. Active data is available for immediate queries, whereas archived data may take additional time to process reports or data queries. This is done to enhance active data reporting services, which are the most common.

(i) At no time may data be destroyed without the City's express permission.

(ii) 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 or large data file, but will be accessible in the same manner and format as the current data.

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

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

(p) 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**

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

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

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

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

(ii) 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.

(d) Messages/logs shall include, at a minimum, but not be limited to the following:

(i) Communication failure/restored

(ii) Coin and/or card jam

(iii) Meter vault full/nearing full (user settable value)

(iv) Low battery

(v) Self-diagnostic failure

(vi) Collection made: Denominations and total amounts. Sortable/drill down by route and individual meter.

(vii) Time added by staff - Method of added time - Amount of time added

(viii) Meter cleared and/or reset

(ix) Service mode(s) entered/exited

(x) Low lighting levels or solar charging power levels (looking for a leading indicator of low battery troubles)

(xi) Low battery

(xii) Valid and invalid coins/objects

(xiii) Received new programming (failure list available too)

(xiv) Meter Expired – with “vehicle detection sensor” meter occupied/unoccupied and paid/non-paid

(e) All logs can be read, printed, reported, and remote messaged via the MS.

(f) The MS shall be able to program the meter mechanisms with all user settable information contained in this specification.

(g) MS shall be capable to record the individual meter GPS location and display all identification numbers associated with the individual locations.

(i) The GPS coordinates of each pole is manually entered into the MS. This is only necessary when pole is installed or removed.

(ii) Contractor and City shall each perform one of the following tasks at the City’s discretion to determine which task it desires to perform.

- Mark each GPS location of each pole.
- Enter each pole GPS location into the MS.

(h) 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.

(i) 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.

(ii) System shall be capable of incorporating the pay-by-cell system. In the event that pay-by-cell transactions are pushed to the single-space meters in real time, implementation of this feature shall result in the meter radio to be active on a more frequent and potentially continuous basis. Therefore, if this feature is enabled the meter battery's standard service life shall be understood to be for a minimum of 6 months.

(iii) MS shall maintain a GPS display of individual meter location and display all identification numbers associated with the individual locations.

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

(i) User settable to turn on/off individual message system.

#### **5.4 System Security: Passwords**

(a) Security shall be provided for each of the following functions, independently:

(i) Printing or viewing of transaction data and/or reports;

(ii) Accessing or editing any device programming;

(iii) Accessing or editing system configuration parameters; and

(iv) Accessing system user database and passwords.

(b) System security passwords shall be configurable by an authorized system user only.

(c) 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**

(a) 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.

(b) 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 or otherwise protected to prevent casual user manipulation.

(c) 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.

(d) 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**

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

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

#### **5.7 Management Staff shall be able to:**

(a) Program meter profiles

(b) Set up collection and maintenance routes

(c) Set up rates and day/time of operations

(d) Set up all specified user definable settings.

(e) Review all data uploaded from the MS

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

(g) Generate “canned” and user definable reports

(h) Meter inventory, maintenance, and collection information.

**5.8 City Maintenance Staff** – City maintenance staff shall have the ability to undertake the following:

(a) Collect, record and report maintenance data.

(b) Upload and download meter profiles.

(c) Generate, record, review and report and produce work orders

(i) Ability to sort by open and completed status.

(d) Test and record time keeping functions of equipment

(e) Ability to create, check, and close work orders

**5.9 Parking Enforcement** – Parking enforcement staff shall have the ability to undertake the following:

(a) Ability to create, check, and close work orders

- (b) Review and report maintenance transactions.
- (c) Generate maintenance reports
- (d) Test time keeping function of equipment.

#### **5.10 Revenue Control**

- (a) Ability to check by meter, pole, and/or route number.
- (b) Ability to check if individual meter was paid/not paid at specific date/time.
- (c) Ability to review coin deposited by time, date, and denomination.
- (d) Time, date, amount and denominations of individual and aggregate collections.

### **6. METER HOUSINGS**

#### **6.1 Upper Housing**

- (a) The cap will be constructed of a die cast zinc alloy.
- (b) 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.
- (c) 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.
- (d) 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**

- (a) The housing will contain a one-piece, high-visibility, flat-face-style viewing dome made of high impact polycarbonate material.
- (b) The viewing dome shall protect the meter mechanism from rain and weather.
- (c) 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**

(a) Contractor shall provide the following six (6) labels/decals to the City containing the text/graphics provided by the City:

- (i) Visa/MC (Discover/AMEX) meter rear;
- (ii) Card Entry Slot;
- (iii) Small Visa/MC (Discover AMEX) meter front;
- (iv) Coin Entry Area;
- (v) Vault Decal; and
- (vi) City Optional Extra Decal

(b) Contractor shall use a proven adhesive on the labels.

## **7. WARRANTY & SERVICE**

### **7.1 General**

(a) Meter contractor shall warrant the equipment and system for materials and workmanship for a period of one (1) year from the date of deployment at no cost to City. Extended warranties may be purchased by the City for a price as defined in Exhibit B-1.

(b) Escalation of Service

(i) Level 1 - First line service shall be conducted by City personal to the level of their knowledge and expertise, as trained by the Contractor. These services shall include standard replacement of coin validators, batteries, and other meter components, as well as procedures to swap meter mechanism and access and interpret the meters self-diagnostic features . At such time the City personnel need additional assistance they shall proceed to level 2.

(ii) Level 2 – Help desk assistance shall be available between 8:30am and 5pm Pacific Time. An after-hours number shall be available in which a help desk provider shall respond within 120 minutes of the initial contact. If the situation cannot be remedied it shall be escalated to level 3.

(iii) 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.

(iv) 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.

## **7.2 Warranty Response Time**

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

(b) Contractor shall repair or replace all defective or damaged items delivered under this specification within ten (10) to fifteen (15) business days from the day of receipt by the Contractor in the case of warranty repair or replacement work

(i) City shall maintain a store of spare items to respond to immediate needs. Contractor shall also keep an ongoing inventory of all critical parts in order to ship a request for new parts by the next calendar day.

(c) 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. Such action by CITY shall not void any warranty nor shall it be deemed improper handling or misuse of equipment.

## **7.3 Performance Warranty Repairs**

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

(b) CONTRACTOR may perform service, maintenance and repairs offsite. CITY may ship any parts that are in need of service or replacement. Shipping costs associated with warranty work shall be paid by the Contractor.

(c) 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.

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

(e) 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.

## **8. OTHER REQUIREMENTS**

### **8.1 Quality Assurance**

(a) Installation Observations – The City or their designees may observe installation work at any time during progress of Work.

(b) Authorized Manufacturer's Representative – 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**

### **(a) Responsibilities of Contractor:**

(i) Accept Sole Responsibility for the product and system that the Contractor provides.

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

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

(iv) Provide labor, equipment, and materials necessary to deliver a complete system with the functional system specifications as defined by this document.

(v) Provide all necessary labor, equipment and materials and training to maintain and guarantee the Work to comply with the Contract Documents.

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

(vii) Provide all necessary project supervision, coordination, and inspection, including clean-up, punch list, and corrections, to comply with industry standards and the Contract Documents.

### **(b) Meet Testing Requirements**

(i) 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.

(ii) Provide all necessary functional demonstrations and acceptance testing to comply with the functional specifications as defined by the Contract Documents.

### **(c) Meet Regulatory Requirements**

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

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

(d) Coordination – Coordinate work with others under provisions of City Guidelines.

**9. SPARE PARTS AND CONSUMABLES**

9.1 Refer to Exhibit B-1 for recommended spare parts. Absent a formal contract or if there is a lapse in contract, the CITY may purchase spare parts based on the pricing provided in this Agreement with an allowable adjustment by the Contractor for inflation as published by the US Bureau of Labor Statistics for All Items Consumer Price Index for All Urban Consumers (CPI-U) for the US City Average.

**10. SURVIVING CLAUSES**

10.1 **Compliance with Scope** – 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**

**UNITS COSTS**

**PURCHASE AND PRICING OF ORIGINAL HARDWARE**

- The fees listed herein shall constitute all hardware fees the contractor may assess the City for the delivery of the products referenced herein. Contractor pricing does not include any applicable state or local taxes that are required to be paid by the City.
- All purchases in 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.
- All purchases 12 months after the initial purchase shall be guaranteed at no greater than the prices contained herein, any may be compounded by increases in Inflation as published by the US Bureau of Labor Statistics for All Items Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average, however, will not exceed 3% annually. Contractor shall be required to provide City with a minimum of 60 days advance notice prior to implementing updated pricing.

<b>PRICING TABLE 1</b>			
<b>Item</b>	<b>Description</b>	<b>units</b>	<b>unit costs</b>
1	IPS M5 Single-Space Parking Meter (non-NFC) (shipping, install and 12 month warranty)	2700	\$465
2	IPS In-Ground Vehicle Detection Sensor (shipping, install and 12 month warranty)	500	\$295
		1500	\$250
		2700	\$225
3	IPS In-Meter Vehicle Detection Sensor (shipping, install and 12 month warranty)		\$295
4	Existing Meter Trade-in Value	2700	\$ (50)
<b>Item</b>	<b>OPTIONAL ITEMS Description</b>	<b>units</b>	<b>unit costs</b>
5	Refurbished single space meter housings Model 90 (with standard locks & standard sealed cannister)	2700	\$150
6	Refurbished single space meter housings Model 95 (with standard locks & standard sealed cannister)	2700	\$185
7	Upgrade single space meter to Contactless Payment (at time of original purchase)	2700	\$40
8	Pay-Station Retrofit Kit (shipping, install and 12 month warranty)	20	\$2,750

9	IPS MS1 Pay-Station (shipping, install and 12 month warranty)	20	\$6,500
10	Add 500 Note Bill Acceptor to Pay-Stations	20	\$1,500
11	Single Space or Multi-Space Meter Nexgen Locks (clock only)	2700	\$125
12	Single Space Meter Nexgen Locks with new Vault Door	2700	\$150
13	Medeco Nexgen One time Set up fee (startup costs)	1	\$10,000
14	Intelligent Cash Collection Canister (new smart sealed coin vault cannister and meter comms upgrade)	1	\$130
14	Intelligent Cash Collection Canister (new smart sealed coin vault cannister and meter comms upgrade)	2700	\$130
15	Intelligent Cash Collection Carts (cart, cannister and smart collection head)	10	\$1,500
16	EMV certified card reader for SSPM		\$99
17	EMV certified card reader for MSM		\$500
<b>Item</b>	<b>EXTENDED Warranty Options</b>	<b>units</b>	<b>unit costs</b>
18	Single Space: Each additional 12 month period		\$60
29	Single Space: Additional 24 month period (total of 36 months)		\$100
20	Multi Space: Each additional 12 month period		\$250
21	Multi Space: Additional 24 month period (total of 36 months)		\$450
22	Vehicle Detection Sensor: Each additional 12 month period		\$35
23	Vehicle Detection Sensor:: Additional 24 month period (total of 36 months)		\$60
<b>Item</b>	<b>Optional Services</b>	<b>units</b>	<b>unit costs</b>
24	Engineering or Consulting Services (per man hour)		\$150/hour

### PRICING OF RELATED ONGOING FEES

- The fees listed herein shall constitute all service fees the contractor may assess the City for the delivery of the products referenced herein. Contractor pricing does not include any applicable state or local taxes that are required to be paid by the City.

- Ongoing fees shall be fixed for the initial term of the agreement. For any term that extends beyond the initial term, the prices contained herein may be adjusted for Inflation as published by the US Bureau of Labor Statistics for All Items Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average, and will not exceed 3% annually. Contractor shall be required to provide City with a minimum of 60 days advance notice prior to implementing updated pricing.
- The fees listed herein shall apply only to those meters in service. Spare meters shall not incur any management system license fees, however, in order to be available for deployment on the wireless network, spare meters shall be charged a reduced secure wireless data fee for \$1.50 per meter per month.
- In order to migrate the City from current contract pricing in-line with the Contractor's rights to adjustment for inflation and in line with current market pricing, the following table is provided:

<b>Pricing Table 2</b>				
<b>Item</b>	<b>Description</b>	<b>Months 1-12</b>	<b>Months 13-24</b>	<b>Months 25+</b>
1	Secure Payment Gateway fee per cc transaction fee	\$0.10	\$0.115	\$0.13
2	MS license fee per meter/per month	\$3.00	\$3.50	\$3.75
3	Secure Wireless Data fee per meter/per month	\$2.00	\$2.00	\$2.00

<b>Pricing Table 3</b>			
<b>Item</b>	<b>Single Space Meters Monthly On-going costs</b>	<b>Per Unit Costs</b>	<b>Frequency</b>
1	Secure Payment Gateway Fee	see Pricing Table 2	per cc transaction
2	Secure Wireless Data Fee	see Pricing Table 2	per meter per month
3	Management System License Fee	see Pricing Table 2	per meter per month
<b>Item</b>	<b>Sensor Monthly On-going costs</b>	<b>Per Unit Costs</b>	
4	Management System / Base Data Fee- Per Sensor Per month	\$3.50	per sensor per month
5	Optional Real time Data Fee - for real time mapping and enforcement	\$2.75	per sensor per month
<b>Item</b>	<b>Pay Station Monthly On-going costs</b>	<b>Per Unit Costs</b>	

6	Management System / Base Data Fee- Per Sensor Per month (off-street)	\$25.00	per meter per month
7	Credit card Gateway Fee	see 12.4	per cc transaction
<b>Item</b>	<b>Smart Cannister System Monthly On-going costs</b>	<b>Per Unit Costs</b>	
8	IPS Management System Reporting/License Fee and Meter Collection Event Data Fee	\$1.25	Per meter per month
<b>Item</b>	<b>Pay-by-Cell Services</b>	<b>Per Unit Costs</b>	
9	Data push fee for pay-by-cell transactions to meter display (customer convenience fee billed to customer by 3 <sup>rd</sup> party provider)	\$0.10	Per transaction

### SPARE PARTS

The fees listed herein shall constitute all hardware fees the contractor may assess the City for the delivery of the products referenced herein. Contractor pricing does not include any applicable state or local taxes that are required to be paid by the City.

All purchases in 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.

All purchases 12 months after the initial purchase shall be guaranteed at no greater than the prices contained herein, any may be compounded by increases in Inflation as published by the US Bureau of Labor Statistics for All Items Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average, however, will not exceed 3% annually. Contractor shall be required to provide City with a minimum of 60 days advance notice prior to implementing updated pricing.

All costs associated with spare parts purchased with the initial hardware purchase shall be waived. Future purchases of spare parts shall be FOB IPS Group Inc., San Diego, CA 92121.

### Single-Space Meter Spare Parts Inventory

<b>Pricing Table 4</b>			
<b>Replacement Components</b>	<b>M3 Price</b>	<b>M5 Price</b>	<b>Recommended Spares per 1000 installed</b>
Card Entry Die Casting	\$19.00	\$19.00	25
Hybrid Card Reader	\$49.00	\$49.00	25
EMV Certified Hybrid Card Reader	\$99.00	\$99.00	25
Coin Validator	\$69.00	\$69.00	25
Complete Top Cover (with Lexan insert)	\$69.00	\$69.00	20
Lexan for Top Cover	\$29.00	\$29.00	20

Coin Entry Slot	\$2.00	\$2.00	20
Keypad	\$25.00	\$25.00	20
Validator Connector Board	\$15.00	\$15.00	20
Battery Pack (795-600 standard pack)	\$29.00		30
Battery Pack (H2 standard pack)		\$20.00	30
Battery Pack (H3 standard pack)		\$30.00	
Validator Connection Cable	\$5.00	\$5.00	20
Display Board without NFC	\$49.00	\$89.00	20
Display Board with NFC		\$139.00	20
Communications Board	\$165.00	\$165.00	
RFID Tag	\$10.00	\$10.00	20

### Vehicle Sensor Spare Parts Inventory

<b>Pricing Table 5</b>			
<b>Replacement Components</b>	<b>M3 Price</b>	<b>M5 Price</b>	<b>Recommended Spares per 1000 installed</b>
Meter Comms Board for Vehicle Sensor	\$125.00	\$125.00	10
Replacement Vehicle Sensor	\$125.00	\$125.00	10

### Pay-Station Spare Parts Inventory

<b>Pricing Table 6</b>			
<b>Replacement Components</b>	<b>MS1</b>	<b>Upgrade Kits</b>	<b>Recommended Spares per 100 installed</b>
Card Reader Only	\$69.00	\$69.00	3
Card Reader Assy with PCBA	\$129.00	\$129.00	3
Coin Validator Assy	\$69.00	\$69.00	3
Main Operating Board (with LCD and modem)	\$749.00	\$749.00	3
LCD Display	\$149.00	\$149.00	3
Printer	\$649.00	\$649.00	3
4 Button Horizontal Keypad	\$69.00	\$69.00	3
4 Button Vertical Keypad	\$69.00	\$69.00	3
Pay-by-Space Keypad Assembly	\$165.00	\$165.00	3
Pay-by-Plate Alphanumeric Keypad Assembly	\$249.00	\$249.00	3
Battery 7Ah	\$49.00	\$49.00	3
Battery 28Ah	\$149.00	\$149.00	3
Additional Coin Canister	\$249.00	\$249.00	3
Coin Shutter	\$199.00	n/a	3
Standard Single Side Paper Rolls	\$32.50	\$32.50	As needed

## **LIMITED WARRANTY**

IPS will provide a limited warranty for any new meter or sensor product manufactured and supplied by IPS for 12 months against defects in materials and workmanship from the point of installation or 15 months from the date of delivery. IPS does not cover defects caused by improper care or use, lack of preventative maintenance, and does not warranty any defects due to vandalism or other factors contained as a part of the Force Majeure clause below.

### **Additional Warranty Provisions:**

- IPS must have the opportunity to assist in the initial deployment and system installation.
- Repair or replacement under warranty of any defective product (including any meter or subcomponent) does not extend nor shorten the warranty period for that product or subcomponent.
- All repairs and replacement parts shall have a warranty period equal to the greater of 90 days or the unexpired portion of the warranty on the product in which the part was installed.
- If a product or replacement part under warranty fails to function after the same part has been repaired or replaced for warranty purposes three (3) times within the warranty period, the Customer may ship the unit in its entirety to IPS, and IPS shall replace the unit at no cost to the City.
- Returns for credit will only apply once IPS has received defective product (including any meter or subcomponent) and confirmed that defects were within the warranty period and are covered under the terms and conditions of the warranty provided.

### **Exclusions:**

- Warranty voided with use of imitation or non-genuine IPS replacement parts, unauthorized alterations, abuse, vandalism, improper handling or general misuse to the equipment (hardware or software), including attempted repairs that result in damage.
- Force Majeure: IPS shall not be liable for any warranty provisions where such product failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption or failure of electricity [or cellular telecommunication failures caused by any of the events or causes described above).

### **Preventative Maintenance (Meters):**

- Preventative maintenance will be similar to current single-space parking meters. However, the primary elements will be a working battery, card reader and coin validator.
- Meters surfaces should be kept clean with mild soap and water.

- The card reader heads should be cleaned with a cleaning card every 1-2 months to ensure optimum performance. Cleaning cards may be purchased from IPS.
- At 9-12 month increments, the coin validator shall be visually inspected for any damage or debris. Compressed air may be used to keep the card reader and coin acceptor clear of debris, every 9-12 months.
- Additional preventative maintenance shall be administered by City staff at such time as it is apparent to be necessary, even if it should occur on a more frequent basis than described herein.

City, at its own cost and expense, shall keep the equipment in good repair, condition and working order after warranty expiration.

## EXHIBIT D

### RELEASE OF ALL CLAIMS

The undersigned Releasor, IPS Group Inc., a Pennsylvania Corporation ("IPS"), for the sole consideration of entering into "AMENDMENT NO. 2 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND IPS GROUP, INC. TO PROVIDE FLEXIPAY SINGLE-SPACE PARKING METERS" between the City of Beverly Hills and IPS ("Amendment 2"), does hereby and for its heirs, executors, administrators, successors and assigns release, acquit and forever discharge the City of Beverly Hills, as Releasee, and its current or former officials, Mayors, City Council, members of City Council, governing boards, commissions, employees, agents, servants, persons, firms corporations, associations or partnerships of and from any and all claims, actions, causes of action, demands, rights, costs, expenses and compensation, which exceeds \$46,000/annually for EMS fees, including Secure Wireless Gateway fees and EMS Service Fees, each as described in Sections 11.3.4, 11.3.5 and 11.3.5.1 of Agreement No. 63-09 entitled "Amendment No. 1 to An Agreement Between the City of Beverly Hills and I.P.S. Group, Inc. to Provide Flexipay Single-Space Parking Meters", dated February 17, 2009 ("Amendment No. 1"), which the undersigned now has or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen damages of any kind, and the consequences thereof resulting from the Amendment No. 1

This Release of All Claims is intended by the parties to affect the legal consequences provided by Section 1541 of the *California Civil Code*, which is the extinguishment of any and all claims, damages and obligations as set forth herein. It is further understood and agreed that this settlement is the compromise of a doubtful and disputed claim, and that this payment is not to be construed as an admission of liability or an admission of the validity of any claim, interest, lien, judgment, action, cause of action, or damages or otherwise on the part of Releasees and is intended merely to avoid litigation and for Releasees who intend hereby to buy their peace.

Releasor by signing this agreement hereby warrants that it has made no assignment, voluntary or involuntary or any part of its claim to any other person or entity.

The undersigned further declares and represents that no promise, inducement or agreement, other than Amendment 2, not herein expressed has been made to the undersigned, and that this release contains the entire agreement between the parties hereto, and that the terms of this release are contractual and not a mere recital.

It is further understood and agreed that all rights under Section 1542 of the *Civil Code of California* and any similar law of any state or territory of the United States are hereby expressly waived. Said Section reads as follows:

**1542. Certain claims not affected by general release. A general release does not extend to claims which the creditor does not know or suspect to exist in his/her favor at the time of executing the release, which if known by him must have materially affected his/her settlement with the debtor.**

The undersigned Releasor agrees to satisfy any and all liens, if any, including, but not limited to, attorney, workers' compensation, subrogation, or other, and, if not satisfied, Releasor agrees to indemnify and hold harmless Releasee and Releasee's Indemnifiers from any and all such claims, including attorney fees and all costs incurred in defense thereof.

**FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM:**

**"ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIMS FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON."**

**THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS ITS TERMS AND CONDITIONS AND TO THE EXTENT THE UNDERSIGNED DOES NOT READ OR UNDERSTAND ENGLISH, THIS RELEASE HAS BEEN READ TO HIM AND TRANSLATED IN ITS ENTIRETY.**

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

IPS GROUP, INC.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary