



September 15, 2020

RE: Extension of IPS Group, Inc Contract
Contract Number: CE95036

Executive Summary

DOTI Curbside & Parking manages on-street curbside and parking resources for the City & County of Denver, including the IPS paid parking meter system. The current paid parking system includes approximately 6,200 single space IPS meters, with approximately 30% coin use and 70% credit card use. Currently in 2020, our monthly revenue and use of the meters is at 50 - 60% of 2019 because of the impacts of COVID-19. While there has been a slight monthly over month increase in parking revenue and usage since June, it is anticipated that it will level out for the remainder of the year.

In 2019, DOTI engaged in a Request For Qualification (RFQ) process to learn more about the potential paid parking (meter) technology providers. Through this process an open house showcased the vendors' technology for internal stakeholders, the public, and elected officials. Following the RFQ process, DOTI intended to issue a Request For Proposal (RFP) to vendors who qualified through the RFQ process. The RFP also included a mobile payment option, allowing people to pay for parking with their smartphone. In spring 2020, it was decided to not issue the Paid Parking RFP due to the financial implications on parking revenue and overall budgetary shortfalls because of COVID-19.

In the spring of 2020, DOTI decided to move forward with on-street mobile payments outside the Paid Parking RFP process. DOTI went through a RFP process to select a mobile payment vendor and is in the final contract negotiations for that service. The intention is to have mobile pay available at all current paid parking areas by the end of 2020. With the addition of mobile pay, it is anticipated that the current IPS parking meters will not be used as intensely and therefore able to extend their lives. In addition, peer cities across the country have been piloting asset-light (very few physical meters on-street) paid parking areas as the public becomes more comfortable using their phones to pay for services. As systems change and adapt to COVID-19 conditions, DOTI will be exploring these options as well.

The IPS contract extension allows DOTI to continue to operate our current parking meters, primarily for those using coins to pay for parking. DOTI has had a long-standing relationship with IPS and has the opportunity to pilot asset-light paid parking with the extension of the contract. The IPS contract allows for DOTI to pilot, and possibly purchase, multi-space (kiosk) parking meters for the asset-light approach. Multi-space meters are more easily adapted to a new paid parking vendor, if necessary, when DOTI goes through the Paid Parking RFP process. This contract extension does not limit DOTI's ability to be innovative at the curbside. The mobile pay option and updates to the Parking Management Information System, that manages enforcement and parking permitting, will allow DOTI to continue to move forward while the City adapts and recovers from the COVID-19 pandemic.

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